

# House File 2347

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## AN ACT

RELATING TO THE UNIFORM LIMITED PARTNERSHIP ACT AND PROVIDING  
A PENALTY AND EFFECTIVE DATES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

## ARTICLE I

### GENERAL PROVISIONS

Section 1. NEW SECTION. 488.101 SHORT TITLE.

This chapter may be cited as the "Uniform Limited  
Partnership Act".

Sec. 2. NEW SECTION. 488.102 DEFINITIONS.

As used in this chapter, unless the context otherwise  
requires:

1. "Certificate of limited partnership" means the  
certificate required by section 488.201. The term includes  
the certificate as amended or restated.

2. "Contribution", except in the phrase "right of  
contribution", means any benefit provided by a person to a  
limited partnership in order to become a partner or in the  
person's capacity as a partner.

3. "Debtor in bankruptcy" means a person that is the  
subject of either of the following:

a. An order for relief under Title 11 of the United States  
Code or a comparable order under a successor statute of  
general application.

b. A comparable order under federal, state, or foreign law  
governing insolvency.

4. "Deliver", "delivery", or "delivered" means any method  
of delivery used in conventional commercial practice,  
including delivery in person, by mail, commercial delivery,  
and electronic transmission.

5. "Designated office" means:

a. With respect to a limited partnership, the office that  
the limited partnership is required to designate and maintain  
under section 488.114.

b. With respect to a foreign limited partnership, its  
principal office.

6. "Distribution" means a transfer of money or other  
property from a limited partnership to a partner in the  
partner's capacity as a partner or to a transferee on account  
of a transferable interest owned by the transferee.

7. "Electronic transmission" or "electronically  
transmitted" means any process of communication not directly  
involving the physical transfer of paper that is suitable for  
the retention, retrieval, and reproduction of information by  
the recipient.

8. "Foreign limited liability limited partnership" means a  
foreign limited partnership whose general partners have  
limited liability for the obligations of the foreign limited  
partnership under a provision similar to section 488.404,  
subsection 3.

9. "Foreign limited partnership" means a partnership  
formed under the laws of a jurisdiction other than Iowa and  
required by those laws to have one or more general partners  
and one or more limited partners. The term includes a foreign  
limited liability limited partnership.

10. "General partner" means:

a. With respect to a limited partnership, a person that is  
either of the following:

(1) A person that becomes a general partner under section  
488.401.

(2) A person that was a general partner in a limited  
partnership when the limited partnership became subject to  
this chapter under section 488.1206, subsection 1 or 2.

b. With respect to a foreign limited partnership, a person  
that has rights, powers, and obligations similar to those of a  
general partner in a limited partnership.

11. "Limited liability limited partnership", except in the  
phrase "foreign limited liability limited partnership", means  
a limited partnership whose certificate of limited partnership  
states that the limited partnership is a limited liability  
limited partnership.

3 6 12. "Limited partner" means:  
3 7 a. With respect to a limited partnership, a person that is  
3 8 either of the following:  
3 9 (1) A person that becomes a limited partner under section  
3 10 488.301.  
3 11 (2) A person that was a limited partner in a limited  
3 12 partnership when the limited partnership became subject to  
3 13 this chapter under section 488.1206, subsection 1 or 2.  
3 14 b. With respect to a foreign limited partnership, a person  
3 15 that has rights, powers, and obligations similar to those of a  
3 16 limited partner in a limited partnership.  
3 17 13. "Limited partnership", except in the phrases "foreign  
3 18 limited partnership" and "foreign limited liability limited  
3 19 partnership", means an entity, having one or more general  
3 20 partners and one or more limited partners, which is formed  
3 21 under this chapter by two or more persons or becomes subject  
3 22 to this chapter under article 11 or section 488.1206,  
3 23 subsection 1 or 2. The term includes a limited liability  
3 24 limited partnership.  
3 25 14. "Partner" means a limited partner or general partner.  
3 26 15. "Partnership agreement" means the partners' agreement,  
3 27 whether oral, implied, in a record, or in any combination,  
3 28 concerning the limited partnership. The term includes the  
3 29 agreement as amended.  
3 30 16. "Person" means an individual, corporation, business  
3 31 trust, estate, trust, partnership, limited liability company,  
3 32 association, joint venture, or government; governmental  
3 33 subdivision, agency, or instrumentality; public corporation;  
3 34 or any other legal or commercial entity.  
3 35 17. "Person dissociated as a general partner" means a  
4 1 person dissociated as a general partner of a limited  
4 2 partnership.  
4 3 18. "Principal office" means the office where the  
4 4 principal executive office of a limited partnership or foreign  
4 5 limited partnership is located, whether or not the office is  
4 6 located in this state.  
4 7 19. "Record" means information that is inscribed on a  
4 8 tangible medium or that is stored in an electronic or other  
4 9 medium and is retrievable in perceivable form.  
4 10 20. "Required information" means the information that a  
4 11 limited partnership is required to maintain under section  
4 12 488.111.  
4 13 21. "Sign" means either of the following:  
4 14 a. To execute or adopt a tangible symbol with the present  
4 15 intent to authenticate a record.  
4 16 b. To attach or logically associate an electronic symbol,  
4 17 sound, or process to or with a record with the present intent  
4 18 to authenticate the record.  
4 19 22. "State" means a state of the United States, the  
4 20 District of Columbia, Puerto Rico, the United States Virgin  
4 21 Islands, or any territory or insular possession subject to the  
4 22 jurisdiction of the United States.  
4 23 23. "Transfer" includes an assignment, conveyance, deed,  
4 24 bill of sale, lease, mortgage, security interest, encumbrance,  
4 25 gift, and transfer by operation of law.  
4 26 24. "Transferable interest" means a partner's right to  
4 27 receive distributions.  
4 28 25. "Transferee" means a person to which all or part of a  
4 29 transferable interest has been transferred, whether or not the  
4 30 transferor is a partner.  
4 31 Sec. 3. NEW SECTION. 488.103 KNOWLEDGE AND NOTICE.  
4 32 1. A person knows a fact if the person has actual  
4 33 knowledge of it.  
4 34 2. A person has notice of a fact if any of the following  
4 35 apply:  
5 1 a. The person knows of it.  
5 2 b. The person has received a notification of it.  
5 3 c. The person has reason to know it exists from all of the  
5 4 facts known to the person at the time in question.  
5 5 d. The person has notice of it under subsection 3 or 4.  
5 6 3. A certificate of limited partnership on file in the  
5 7 office of the secretary of state is notice that the  
5 8 partnership is a limited partnership and the persons  
5 9 designated in the certificate as general partners are general  
5 10 partners. Except as otherwise provided in subsection 4, the  
5 11 certificate is not notice of any other fact.  
5 12 4. A person has notice of any of the following:  
5 13 a. Another person's dissociation as a general partner,  
5 14 ninety days after the effective date of an amendment to the  
5 15 certificate of limited partnership which states that the other  
5 16 person has dissociated, or ninety days after the effective

5 17 date of a statement of dissociation pertaining to the other  
5 18 person, whichever occurs first.

5 19 b. A limited partnership's dissolution, ninety days after  
5 20 the effective date of an amendment to the certificate of  
5 21 limited partnership stating that the limited partnership is  
5 22 dissolved.

5 23 c. A limited partnership's termination, ninety days after  
5 24 the effective date of a statement of termination.

5 25 d. A limited partnership's conversion under article 11,  
5 26 ninety days after the effective date of the articles of  
5 27 conversion.

5 28 e. A merger under article 11, ninety days after the  
5 29 effective date of the articles of merger.

5 30 5. A person notifies or gives a notification to another  
5 31 person by taking steps reasonably required to inform the other  
5 32 person in ordinary course, whether or not the other person  
5 33 learns of it.

5 34 6. A person receives a notification when either of the  
5 35 following applies:

6 1 a. Notification comes to the person's attention.

6 2 b. Notification is delivered at the person's place of  
6 3 business or at any other place held out by the person as a  
6 4 place for receiving communications.

6 5 7. Except as otherwise provided in subsection 8, a person  
6 6 other than an individual knows, has notice, or receives a  
6 7 notification of a fact for purposes of a particular  
6 8 transaction when the individual conducting the transaction for  
6 9 the person knows, has notice, or receives a notification of  
6 10 the fact, or in any event when the fact would have been  
6 11 brought to the individual's attention if the person had  
6 12 exercised reasonable diligence. A person other than an  
6 13 individual exercises reasonable diligence if the person  
6 14 maintains reasonable routines for communicating significant  
6 15 information to the individual conducting the transaction for  
6 16 the person and there is reasonable compliance with the  
6 17 routines. Reasonable diligence does not require an individual  
6 18 acting for the person to communicate information unless the  
6 19 communication is part of the individual's regular duties or  
6 20 the individual has reason to know of the transaction and that  
6 21 the transaction would be materially affected by the  
6 22 information.

6 23 8. A general partner's knowledge, notice, or receipt of a  
6 24 notification of a fact relating to the limited partnership is  
6 25 effective immediately as knowledge of, notice to, or receipt  
6 26 of a notification by the limited partnership, except in the  
6 27 case of a fraud on the limited partnership committed by or  
6 28 with the consent of the general partner. A limited partner's  
6 29 knowledge, notice, or receipt of a notification of a fact  
6 30 relating to the limited partnership is not effective as  
6 31 knowledge of, notice to, or receipt of a notification by the  
6 32 limited partnership.

6 33 Sec. 4. NEW SECTION. 488.104 NATURE, PURPOSE, AND  
6 34 DURATION OF ENTITY.

6 35 1. A limited partnership is an entity distinct from its  
7 1 partners. A limited partnership is the same entity regardless  
7 2 of whether its certificate states that the limited partnership  
7 3 is a limited liability limited partnership.

7 4 2. A limited partnership may be organized under this  
7 5 chapter for any lawful purpose.

7 6 3. A limited partnership has a perpetual duration.

7 7 Sec. 5. NEW SECTION. 488.105 POWERS.

7 8 A limited partnership has the powers to do all things  
7 9 necessary or convenient to carry on its activities, including  
7 10 the power to sue, be sued, and defend in its own name and to  
7 11 maintain an action against a partner for harm caused to the  
7 12 limited partnership by a breach of the partnership agreement  
7 13 or violation of a duty to the partnership.

7 14 Sec. 6. NEW SECTION. 488.106 GOVERNING LAW.

7 15 The law of this state governs relations among the partners  
7 16 of a limited partnership and between the partners and the  
7 17 limited partnership and the liability of partners as partners  
7 18 for an obligation of the limited partnership.

7 19 Sec. 7. NEW SECTION. 488.107 SUPPLEMENTAL PRINCIPLES OF  
7 20 LAW == RATE OF INTEREST.

7 21 1. Unless displaced by particular provisions of this  
7 22 chapter, the principles of law and equity supplement this  
7 23 chapter.

7 24 2. If an obligation to pay interest arises under this  
7 25 chapter and the rate is not specified, the rate shall be set  
7 26 according to the provisions of section 535.3.

7 27 Sec. 8. NEW SECTION. 488.108 NAME.

7 28 1. The name of a limited partnership may contain the name  
7 29 of any partner.

7 30 2. The name of a limited partnership that is not a limited  
7 31 liability limited partnership must contain the phrase "limited  
7 32 partnership" or the abbreviation "L.P." or "LP" and must not  
7 33 contain the phrase "limited liability limited partnership" or  
7 34 the abbreviation "LLLLP" or "L.L.L.P.".

7 35 3. The name of a limited liability limited partnership  
8 1 must contain the phrase "limited liability limited  
8 2 partnership" or the abbreviation "LLLLP" or "L.L.L.P." and must  
8 3 not contain the abbreviation "LP" or "L.P.".

8 4 4. Unless authorized by subsection 5, the name of a  
8 5 limited partnership must be distinguishable in the records of  
8 6 the secretary of state from all of the following:

8 7 a. The name of each person other than an individual  
8 8 incorporated, organized, or authorized to transact business in  
8 9 this state.

8 10 b. Each name reserved under section 488.109, or under  
8 11 sections 486A.1001, 490.401, 490.402, 490A.401, 490A.402,  
8 12 504A.6, 504A.7, and 547.1.

8 13 5. A limited partnership may apply to the secretary of  
8 14 state for authorization to use a name that does not comply  
8 15 with subsection 4. The secretary of state shall authorize use  
8 16 of the name applied for if, as to each conflicting name, at  
8 17 least one of the following applies:

8 18 a. The present user, registrant, or owner of the  
8 19 conflicting name consents in a signed record to the use and  
8 20 submits an undertaking in a form satisfactory to the secretary  
8 21 of state to change the conflicting name to a name that  
8 22 complies with subsection 4 and is distinguishable in the  
8 23 records of the secretary of state from the name applied for.

8 24 b. The applicant delivers to the secretary of state a  
8 25 certified copy of the final judgment of a court of competent  
8 26 jurisdiction establishing the applicant's right to use the  
8 27 name applied for in this state.

8 28 c. The applicant delivers to the secretary of state proof  
8 29 satisfactory to the secretary of state that at least one of  
8 30 the following applies to the present user, registrant, or  
8 31 owner of the conflicting name:

8 32 (1) The present user, registrant, or owner of the  
8 33 conflicting name has merged into the applicant.

8 34 (2) The present user, registrant, or owner of the  
8 35 conflicting name has been converted into the applicant.

9 1 (3) The present user, registrant, or owner of the  
9 2 conflicting name has transferred substantially all of its  
9 3 assets, including the conflicting name, to the applicant.

9 4 6. Subject to section 488.905, this section applies to any  
9 5 foreign limited partnership transacting business in this  
9 6 state, having a certificate of authority to transact business  
9 7 in this state, or applying for a certificate of authority.

9 8 Sec. 9. NEW SECTION. 488.109 RESERVATION OF NAME.

9 9 1. The exclusive right to the use of a name that complies  
9 10 with section 488.108 may be reserved by any of the following:

9 11 a. A person intending to organize a limited partnership  
9 12 under this chapter and to adopt the name.

9 13 b. A limited partnership or a foreign limited partnership  
9 14 authorized to transact business in this state intending to  
9 15 adopt the name.

9 16 c. A foreign limited partnership intending to obtain a  
9 17 certificate of authority to transact business in this state  
9 18 and adopt the name.

9 19 d. A person intending to organize a foreign limited  
9 20 partnership and intending to have it obtain a certificate of  
9 21 authority to transact business in this state and adopt the  
9 22 name.

9 23 e. A foreign limited partnership formed under the name.

9 24 f. A foreign limited partnership formed under a name that  
9 25 does not comply with section 488.108, subsection 2 or 3, but  
9 26 the name reserved under this paragraph may differ from the  
9 27 foreign limited partnership's name only to the extent  
9 28 necessary to comply with section 488.108, subsections 2 and 3.

9 29 2. A person may apply to reserve a name under subsection 1  
9 30 by delivering to the secretary of state for filing an  
9 31 application that states the name to be reserved and the  
9 32 paragraph of subsection 1 that applies. If the secretary of  
9 33 state finds that the name is available for use by the  
9 34 applicant, the secretary of state shall file a statement of  
9 35 name reservation and reserve the name for the exclusive use of  
10 1 the applicant for a nonrenewable period of one hundred twenty  
10 2 days.

10 3 3. A person that has reserved a name under this section

10 4 may deliver to the secretary of state for filing a notice of  
10 5 transfer that states the reserved name, the name and street  
10 6 and mailing address of some other person to which the  
10 7 reservation is to be transferred, and the paragraph of  
10 8 subsection 1 which applies to the other person. Subject to  
10 9 section 488.206, subsection 3, the transfer is effective when  
10 10 the secretary of state files the notice of transfer.

10 11 Sec. 10. NEW SECTION. 488.110 EFFECT OF PARTNERSHIP  
10 12 AGREEMENT == NONWAIVABLE PROVISIONS.

10 13 1. Except as otherwise provided in subsection 2, the  
10 14 partnership agreement governs relations among the partners and  
10 15 between the partners and the partnership. To the extent the  
10 16 partnership agreement does not otherwise provide, this chapter  
10 17 governs relations among the partners and between the partners  
10 18 and the partnership.

10 19 2. A partnership agreement shall not do any of the  
10 20 following:

10 21 a. Vary a limited partnership's power under section  
10 22 488.105 to sue, be sued, and defend in its own name.

10 23 b. Vary the law applicable to a limited partnership under  
10 24 section 488.106.

10 25 c. Vary the requirements of section 488.204.

10 26 d. Vary the information required under section 488.111 or  
10 27 unreasonably restrict the right to information under section  
10 28 488.304 or 488.407, but the partnership agreement may impose  
10 29 reasonable restrictions on the availability and use of  
10 30 information obtained under those sections and may define  
10 31 appropriate remedies, including liquidated damages, for a  
10 32 breach of any reasonable restriction on use.

10 33 e. Eliminate the duty of loyalty under section 488.408,  
10 34 but the partnership agreement may do any of the following:

10 35 (1) Identify specific types or categories of activities  
11 1 that do not violate the duty of loyalty, if not manifestly  
11 2 unreasonable.

11 3 (2) Specify the number or percentage of partners which may  
11 4 authorize or ratify, after full disclosure to all partners of  
11 5 all material facts, a specific act or transaction that  
11 6 otherwise would violate the duty of loyalty.

11 7 f. Unreasonably reduce the duty of care under section  
11 8 488.408, subsection 3.

11 9 g. Eliminate the obligation of good faith and fair dealing  
11 10 under section 488.305, subsection 2, and section 488.408,  
11 11 subsection 4, but the partnership agreement may prescribe the  
11 12 standards by which the performance of the obligation is to be  
11 13 measured, if the standards are not manifestly unreasonable.

11 14 h. Vary the power of a person to dissociate as a general  
11 15 partner under section 488.604, subsection 1, except to require  
11 16 that the notice under section 488.603, subsection 1, be in a  
11 17 record.

11 18 i. Vary the power of a court to decree dissolution in the  
11 19 circumstances specified in section 488.802.

11 20 j. Vary the requirement to wind up the partnership's  
11 21 business as specified in section 488.803.

11 22 k. Unreasonably restrict the right to maintain an action  
11 23 under article 10.

11 24 1. Restrict the right of a partner under section 488.1110,  
11 25 subsection 1, to approve a conversion or merger, or the right  
11 26 of a general partner under section 488.1110, subsection 2, to  
11 27 consent to an amendment to the certificate of limited  
11 28 partnership which deletes a statement that the limited  
11 29 partnership is a limited liability limited partnership.

11 30 m. Restrict rights under this chapter of a person other  
11 31 than a partner or a transferee.

11 32 Sec. 11. NEW SECTION. 488.111 REQUIRED INFORMATION.

11 33 A limited partnership shall maintain at its designated  
11 34 office all of the following information:

11 35 1. A current list showing the full name and last known  
12 1 street and mailing address of each partner, separately  
12 2 identifying the general partners, in alphabetical order, and  
12 3 the limited partners, in alphabetical order.

12 4 2. A copy of the initial certificate of limited  
12 5 partnership and all amendments to and restatements of the  
12 6 certificate, together with signed copies of any powers of  
12 7 attorney under which any certificate, amendment, or  
12 8 restatement has been signed.

12 9 3. A copy of any filed articles of conversion or merger.

12 10 4. A copy of the limited partnership's federal, state, and  
12 11 local income tax returns and reports, if any, for the three  
12 12 most recent years.

12 13 5. A copy of any partnership agreement made in a record  
12 14 and any amendment made in a record to any partnership

12 15 agreement.

12 16 6. A copy of any financial statement of the limited  
12 17 partnership for the three most recent years.

12 18 7. A copy of the three most recent biennial reports  
12 19 delivered by the limited partnership to the secretary of state  
12 20 pursuant to section 488.210.

12 21 8. A copy of any record made by the limited partnership  
12 22 during the past three years of any consent given by or vote  
12 23 taken of any partner pursuant to this chapter or the  
12 24 partnership agreement.

12 25 9. Unless contained in a partnership agreement made in a  
12 26 record, a record stating all of the following:

12 27 a. The amount of cash, and a description and statement of  
12 28 the agreed value of the other benefits, contributed and agreed  
12 29 to be contributed by each partner.

12 30 b. The times at which, or events on the happening of  
12 31 which, any additional contributions agreed to be made by each  
12 32 partner are to be made.

12 33 c. For any person that is both a general partner and a  
12 34 limited partner, a specification of what transferable interest  
12 35 the person owns in each capacity.

13 1 d. Any events upon the happening of which the limited  
13 2 partnership is to be dissolved and its activities wound up.

13 3 Sec. 12. NEW SECTION. 488.112 BUSINESS TRANSACTIONS OF  
13 4 PARTNER WITH PARTNERSHIP.

13 5 A partner may lend money to and transact other business  
13 6 with the limited partnership and has the same rights and  
13 7 obligations with respect to the loan or other transaction as a  
13 8 person that is not a partner.

13 9 Sec. 13. NEW SECTION. 488.113 DUAL CAPACITY.

13 10 A person may be both a general partner and a limited  
13 11 partner. A person that is both a general and limited partner  
13 12 has the rights, powers, duties, and obligations provided by  
13 13 this chapter and the partnership agreement in each of those  
13 14 capacities. When the person acts as a general partner, the  
13 15 person is subject to the obligations, duties, and restrictions  
13 16 under this chapter and the partnership agreement for general  
13 17 partners. When the person acts as a limited partner, the  
13 18 person is subject to the obligations, duties, and restrictions  
13 19 under this chapter and the partnership agreement for limited  
13 20 partners.

13 21 Sec. 14. NEW SECTION. 488.114 OFFICE AND AGENT FOR  
13 22 SERVICE OF PROCESS.

13 23 1. A limited partnership shall designate and continuously  
13 24 maintain in this state both of the following:

13 25 a. An office, which need not be a place of its activity in  
13 26 this state.

13 27 b. An agent for service of process.

13 28 2. A foreign limited partnership shall designate and  
13 29 continuously maintain in this state an agent for service of  
13 30 process.

13 31 3. An agent for service of process of a limited  
13 32 partnership or foreign limited partnership must be an  
13 33 individual who is a resident of Iowa or other person  
13 34 authorized to do business in this state.

13 35 Sec. 15. NEW SECTION. 488.115 CHANGE OF DESIGNATED  
14 1 OFFICE OR AGENT FOR SERVICE OF PROCESS.

14 2 1. In order to change its designated office, agent for  
14 3 service of process, or the address of its agent for service of  
14 4 process, a limited partnership or a foreign limited  
14 5 partnership may deliver to the secretary of state for filing a  
14 6 statement of change containing all of the following:

14 7 a. The name of the limited partnership or foreign limited  
14 8 partnership.

14 9 b. The street and mailing address of its current  
14 10 designated office.

14 11 c. If the current designated office is to be changed, the  
14 12 street and mailing address of the new designated office.

14 13 d. The name and street and mailing address of its current  
14 14 agent for service of process.

14 15 e. If the current agent for service of process or an  
14 16 address of the agent is to be changed, the new information.

14 17 2. Subject to section 488.206, subsection 3, a statement  
14 18 of change is effective when filed by the secretary of state.

14 19 Sec. 16. NEW SECTION. 488.116 RESIGNATION OF AGENT FOR  
14 20 SERVICE OF PROCESS.

14 21 1. In order to resign as an agent for service of process  
14 22 of a limited partnership or foreign limited partnership, the  
14 23 agent must deliver to the secretary of state for filing a  
14 24 statement of resignation containing the name of the limited  
14 25 partnership or foreign limited partnership.

14 26 2. After receiving a statement of resignation, the  
14 27 secretary of state shall file it and mail a copy to the  
14 28 designated office of the limited partnership or foreign  
14 29 limited partnership and another copy to the principal office  
14 30 if the address of the office appears in the records of the  
14 31 secretary of state and is different from the address of the  
14 32 designated office.

14 33 3. An agency for service of process is terminated on the  
14 34 date on which the statement of resignation was filed with the  
14 35 secretary of state.

15 1 Sec. 17. NEW SECTION. 488.117 SERVICE OF PROCESS.

15 2 1. An agent for service of process appointed by a limited  
15 3 partnership or foreign limited partnership is an agent of the  
15 4 limited partnership or foreign limited partnership for service  
15 5 of any process, notice, or demand required or permitted by law  
15 6 to be served upon the limited partnership or foreign limited  
15 7 partnership.

15 8 2. If a limited partnership or foreign limited partnership  
15 9 does not appoint or maintain an agent for service of process  
15 10 in this state or the agent for service of process cannot with  
15 11 reasonable diligence be found at the agent's address, the  
15 12 secretary of state is an agent of the limited partnership or  
15 13 foreign limited partnership upon whom process, notice, or  
15 14 demand may be served.

15 15 3. Service of any process, notice, or demand on the  
15 16 secretary of state may be made by delivering to and leaving  
15 17 with the secretary of state duplicate copies of the process,  
15 18 notice, or demand. If a process, notice, or demand is served  
15 19 on the secretary of state, the secretary of state shall  
15 20 forward one of the copies by certified mail or restricted  
15 21 certified mail to the limited partnership or foreign limited  
15 22 partnership at its designated office.

15 23 4. Service is effected under subsection 3 at the earliest  
15 24 of any of the following:

15 25 a. The date the limited partnership or foreign limited  
15 26 partnership receives the process, notice, or demand.

15 27 b. The date shown on the return receipt, if signed on  
15 28 behalf of the limited partnership or foreign limited  
15 29 partnership.

15 30 c. Five days after the process, notice, or demand is  
15 31 deposited in the mail, if mailed postpaid and correctly  
15 32 addressed.

15 33 5. The secretary of state shall keep a record of each  
15 34 process, notice, and demand served pursuant to this section  
15 35 and record the time of, and the action taken regarding, the  
16 1 service.

16 2 6. This section does not affect the right to serve  
16 3 process, notice, or demand in any other manner provided by  
16 4 law.

16 5 Sec. 18. NEW SECTION. 488.118 CONSENT AND PROXIES OF  
16 6 PARTNERS.

16 7 Action requiring the consent of partners under this chapter  
16 8 may be taken without a meeting, and a partner may appoint a  
16 9 proxy to consent or otherwise act for the partner by signing  
16 10 an appointment record, either personally or by the partner's  
16 11 attorney in fact.

16 12 ARTICLE II  
16 13 FORMATION == CERTIFICATE OF LIMITED PARTNERSHIP  
16 14 AND OTHER FILINGS

16 15 Sec. 19. NEW SECTION. 488.201 FORMATION OF LIMITED  
16 16 PARTNERSHIP == CERTIFICATE OF LIMITED PARTNERSHIP.

16 17 1. In order for a limited partnership to be formed, a  
16 18 certificate of limited partnership must be delivered to the  
16 19 secretary of state for filing. The certificate must state all  
16 20 of the following:

16 21 a. The name of the limited partnership, which must comply  
16 22 with section 488.108.

16 23 b. The street and mailing address of the initial  
16 24 designated office and the name and street and mailing address  
16 25 of the initial agent for service of process.

16 26 c. The name and the street and mailing address of each  
16 27 general partner.

16 28 d. Whether the limited partnership is a limited liability  
16 29 limited partnership.

16 30 e. Any additional information required by article 11.

16 31 2. A certificate of limited partnership may also contain  
16 32 any other matters but shall not vary or otherwise affect the  
16 33 provisions specified in section 488.110, subsection 2, in a  
16 34 manner inconsistent with that subsection.

16 35 3. If there has been substantial compliance with  
17 1 subsection 1, subject to section 488.206, subsection 3, a

17 2 limited partnership is formed when the secretary of state  
17 3 files the certificate of limited partnership. The secretary  
17 4 of state's filing of the certificate is conclusive proof that  
17 5 all conditions precedent to formation of the limited  
17 6 partnership have been satisfied except in a proceeding by the  
17 7 state to cancel or revoke the certificate or involuntarily  
17 8 dissolve the limited partnership.

17 9 4. Subject to subsection 2, if any provision of a  
17 10 partnership agreement is inconsistent with the filed  
17 11 certificate of limited partnership or with a filed statement  
17 12 of dissociation, termination, or change or filed articles of  
17 13 conversion or merger, all of the following apply:

17 14 a. The partnership agreement prevails as to partners and  
17 15 transferees.

17 16 b. The filed certificate of limited partnership, statement  
17 17 of dissociation, termination, or change or articles of  
17 18 conversion or merger prevail as to persons, other than  
17 19 partners and transferees, that reasonably rely on the filed  
17 20 record to their detriment.

17 21 Sec. 20. NEW SECTION. 488.202 AMENDMENT OR RESTATEMENT  
17 22 OF CERTIFICATE.

17 23 1. In order to amend its certificate of limited  
17 24 partnership, a limited partnership must deliver to the  
17 25 secretary of state for filing an amendment or, pursuant to  
17 26 article 11, articles of merger stating all of the following:

17 27 a. The name of the limited partnership.

17 28 b. The date of filing of its initial certificate.

17 29 c. The changes the amendment makes to the certificate as  
17 30 most recently amended or restated.

17 31 2. A limited partnership shall promptly deliver to the  
17 32 secretary of state for filing an amendment to a certificate of  
17 33 limited partnership to reflect any of the following:

17 34 a. The admission of a new general partner.

17 35 b. The dissociation of a person as a general partner.

18 1 c. The appointment of a person to wind up the limited  
18 2 partnership's activities under section 488.803, subsection 3  
18 3 or 4.

18 4 3. A general partner that knows that any information in a  
18 5 filed certificate of limited partnership was false when the  
18 6 certificate was filed or has become false due to changed  
18 7 circumstances shall promptly do at least one of following:

18 8 a. Cause the certificate to be amended.

18 9 b. If appropriate, deliver to the secretary of state for  
18 10 filing a statement of change pursuant to section 488.115 or a  
18 11 statement of correction pursuant to section 488.207.

18 12 4. A certificate of limited partnership may be amended at  
18 13 any time for any other proper purpose as determined by the  
18 14 limited partnership.

18 15 5. A restated certificate of limited partnership may be  
18 16 delivered to the secretary of state for filing in the same  
18 17 manner as an amendment.

18 18 6. Subject to section 488.206, subsection 3, an amendment  
18 19 or restated certificate is effective when filed by the  
18 20 secretary of state.

18 21 Sec. 21. NEW SECTION. 488.203 STATEMENT OF TERMINATION.

18 22 A dissolved limited partnership that has completed winding  
18 23 up may deliver to the secretary of state for filing a  
18 24 statement of termination that states all of the following:

18 25 1. The name of the limited partnership.

18 26 2. The date of filing of its initial certificate of  
18 27 limited partnership.

18 28 3. Any other information as determined by the general  
18 29 partners filing the statement or by a person appointed  
18 30 pursuant to section 488.803, subsection 3 or 4.

18 31 Sec. 22. NEW SECTION. 488.204 SIGNING OF RECORDS.

18 32 1. Each record delivered to the secretary of state for  
18 33 filing pursuant to this chapter must be signed in the  
18 34 following manner:

18 35 a. An initial certificate of limited partnership must be  
19 1 signed by all general partners listed in the certificate.

19 2 b. An amendment adding or deleting a statement that the  
19 3 limited partnership is a limited liability limited partnership  
19 4 must be signed by all general partners listed in the  
19 5 certificate.

19 6 c. An amendment designating as general partner a person  
19 7 admitted under section 488.801, subsection 3, paragraph "b",  
19 8 following the dissociation of a limited partnership's last  
19 9 general partner must be signed by the new general partner.

19 10 d. An amendment required by section 488.803, subsection 3,  
19 11 following the appointment of a person to wind up the dissolved  
19 12 limited partnership's activities must be signed by that



19 13 person.  
19 14 e. Any other amendment must be signed by all of the  
19 15 following:  
19 16 (1) At least one general partner listed in the  
19 17 certificate.  
19 18 (2) Each other person designated in the amendment as a new  
19 19 general partner.  
19 20 (3) Each person that the amendment indicates has  
19 21 dissociated as a general partner, unless any of the following  
19 22 applies:  
19 23 (a) The person is deceased or a guardian or general  
19 24 conservator has been appointed for the person and the  
19 25 amendment so states.  
19 26 (b) The person has previously delivered to the secretary  
19 27 of state for filing a statement of dissociation.  
19 28 f. A restated certificate of limited partnership must be  
19 29 signed by at least one general partner listed in the  
19 30 certificate, and, to the extent the restated certificate  
19 31 effects a change under any other paragraph of this subsection,  
19 32 the certificate must be signed in a manner that satisfies that  
19 33 paragraph.  
19 34 g. A statement of termination must be signed by all  
19 35 general partners listed in the certificate or, if the  
20 1 certificate of a dissolved limited partnership lists no  
20 2 general partners, by the person appointed pursuant to section  
20 3 488.803, subsection 3 or 4, to wind up the dissolved limited  
20 4 partnership's activities.  
20 5 h. Articles of conversion must be signed by each general  
20 6 partner listed in the certificate of limited partnership.  
20 7 i. Articles of merger must be signed as provided in  
20 8 section 488.1108, subsection 1.  
20 9 j. Any other record delivered on behalf of a limited  
20 10 partnership to the secretary of state for filing must be  
20 11 signed by at least one general partner listed in the  
20 12 certificate.  
20 13 k. A statement by a person pursuant to section 488.605,  
20 14 subsection 1, paragraph "d", stating that the person has  
20 15 dissociated as a general partner must be signed by that  
20 16 person.  
20 17 l. A statement of withdrawal by a person pursuant to  
20 18 section 488.306 must be signed by that person.  
20 19 m. A record delivered on behalf of a foreign limited  
20 20 partnership to the secretary of state for filing must be  
20 21 signed by at least one general partner of the foreign limited  
20 22 partnership.  
20 23 n. Any other record delivered on behalf of any person to  
20 24 the secretary of state for filing must be signed by that  
20 25 person.  
20 26 2. Any person may sign by an attorney in fact any record  
20 27 to be filed pursuant to this chapter.  
20 28 Sec. 23. NEW SECTION. 488.205 SIGNING AND FILING  
20 29 PURSUANT TO JUDICIAL ORDER.  
20 30 1. If a person required by this chapter to sign a record  
20 31 or deliver a record to the secretary of state for filing does  
20 32 not do so, any other person that is aggrieved may petition the  
20 33 appropriate court to order any of the following:  
20 34 a. The person to sign the record.  
20 35 b. The person to deliver the record to the secretary of  
21 1 state for filing.  
21 2 c. The secretary of state to file the record unsigned.  
21 3 2. If the person aggrieved under subsection 1 is not the  
21 4 limited partnership or foreign limited partnership to which  
21 5 the record pertains, the aggrieved person shall make the  
21 6 limited partnership or foreign limited partnership a party to  
21 7 the action. A person aggrieved under subsection 1 may seek  
21 8 the remedies provided in subsection 1 in the same action in  
21 9 combination or in the alternative.  
21 10 3. A record filed unsigned pursuant to this section is  
21 11 effective without being signed.  
21 12 Sec. 24. NEW SECTION. 488.206 DELIVERY TO AND FILING OF  
21 13 RECORDS BY SECRETARY OF STATE == EFFECTIVE TIME AND DATE.  
21 14 1. A record authorized or required to be delivered to the  
21 15 secretary of state for filing under this chapter must be  
21 16 captioned to describe the record's purpose, contain the  
21 17 information required by this chapter but may include other  
21 18 information as well, and be in a medium permitted by the  
21 19 secretary of state. The document must be typewritten or  
21 20 printed. If the document is electronically transmitted, it  
21 21 must be in a format that can be retrieved or reproduced in  
21 22 typewritten or printed form. The document must be delivered  
21 23 to the office of the secretary of state for filing. Delivery

21 24 may be made by electronic transmission if and to the extent  
21 25 permitted by the secretary of state. The secretary of state  
21 26 may adopt rules for the electronic filing of documents and the  
21 27 certification of electronically filed documents. If it is  
21 28 filed in typewritten or printed form and not transmitted  
21 29 electronically, the secretary of state may require an exact or  
21 30 conformed copy to be delivered with the document. Unless the  
21 31 secretary of state determines that a record does not comply  
21 32 with the filing requirements of this chapter, and if all  
21 33 filing fees have been paid, the secretary of state shall file  
21 34 the record and perform all of the following:

21 35 a. For a statement of dissociation, send all of the  
22 1 following:

22 2 (1) A copy of the filed statement and a receipt for the  
22 3 fees to the person which the statement indicates has  
22 4 dissociated as a general partner.

22 5 (2) A copy of the filed statement and receipt to the  
22 6 limited partnership.

22 7 b. For a statement of withdrawal, send all of the  
22 8 following:

22 9 (1) A copy of the filed statement and a receipt for the  
22 10 fees to the person on whose behalf the record was filed.

22 11 (2) If the statement refers to an existing limited  
22 12 partnership, a copy of the filed statement and receipt to the  
22 13 limited partnership.

22 14 c. For all other records, send a copy of the filed record  
22 15 and a receipt for the fees to the person on whose behalf the  
22 16 record was filed.

22 17 2. Upon request and payment of a fee, the secretary of  
22 18 state shall send to the requester a certified copy of the  
22 19 requested record.

22 20 3. Except as otherwise provided in sections 488.116 and  
22 21 488.207, a record delivered to the secretary of state for  
22 22 filing under this chapter may specify an effective time and a  
22 23 delayed effective date. Except as otherwise provided in this  
22 24 chapter, a record filed by the secretary of state is effective  
22 25 according to the following:

22 26 a. If the record does not specify an effective time and  
22 27 does not specify a delayed effective date, on the date and at  
22 28 the time the record is filed, as evidenced by the secretary of  
22 29 state's endorsement of the date and time on the record.

22 30 b. If the record specifies an effective time but not a  
22 31 delayed effective date, on the date the record is filed at the  
22 32 time specified in the record.

22 33 c. If the record specifies a delayed effective date but  
22 34 not an effective time, at 12:01 a.m. on the earlier of either  
22 35 of the following:

23 1 (1) The specified date.

23 2 (2) The ninetieth day after the record is filed.

23 3 d. If the record specifies an effective time and a delayed  
23 4 effective date, at the specified time on the earlier of either  
23 5 of the following:

23 6 (1) The specified date.

23 7 (2) The ninetieth day after the record is filed.

23 8 4. If the secretary of state refuses to file a document,  
23 9 the secretary of state shall return it to the limited  
23 10 partnership or foreign limited partnership or its  
23 11 representative, together with a brief, written explanation of  
23 12 the reason for the refusal.

23 13 5. The secretary of state's duty to file documents under  
23 14 this section is ministerial. Filing or refusing to file a  
23 15 document does not do any of the following:

23 16 a. Affect the validity or invalidity of the document in  
23 17 whole or part.

23 18 b. Relate to the correctness or incorrectness of  
23 19 information contained in the document.

23 20 c. Create a presumption that the document is valid or  
23 21 invalid or that information contained in the document is  
23 22 correct or incorrect.

23 23 Sec. 25. NEW SECTION. 488.207 CORRECTING FILED RECORD.

23 24 1. A limited partnership or foreign limited partnership  
23 25 may deliver to the secretary of state for filing a statement  
23 26 of correction to correct a record previously delivered by the  
23 27 limited partnership or foreign limited partnership to the  
23 28 secretary of state and filed by the secretary of state, if at  
23 29 the time of filing the record contained false or erroneous  
23 30 information or was defectively signed.

23 31 2. A statement of correction shall not state a delayed  
23 32 effective date and must do all of the following:

23 33 a. Describe the record to be corrected, including its  
23 34 filing date, or attach a copy of the record as filed.

23 35 b. Specify the incorrect information and the reason it is  
24 1 incorrect or the manner in which the signing was defective.  
24 2 c. Correct the incorrect information or defective  
24 3 signature.  
24 4 3. When filed by the secretary of state, a statement of  
24 5 correction is effective retroactively as of the effective date  
24 6 of the record the statement corrects, but the statement is  
24 7 effective when filed for the following:

24 8 a. For the purposes of section 488.103, subsections 3 and  
24 9 4.

24 10 b. As to persons relying on the uncorrected record and  
24 11 adversely affected by the correction.

24 12 Sec. 26. NEW SECTION. 488.208 LIABILITY FOR FALSE  
24 13 INFORMATION IN FILED RECORD.

24 14 1. If a record delivered to the secretary of state for  
24 15 filing under this chapter and filed by the secretary of state  
24 16 contains false information, a person that suffers loss by  
24 17 reliance on the information may recover damages for the loss  
24 18 from any or all of the following:

24 19 a. A person that signed the record, or caused another to  
24 20 sign it on the person's behalf, and knew the information to be  
24 21 false at the time the record was signed.

24 22 b. A general partner that has notice that the information  
24 23 was false when the record was filed or has become false  
24 24 because of changed circumstances, if the general partner has  
24 25 notice for a reasonably sufficient time before the information  
24 26 is relied upon to enable the general partner to effect an  
24 27 amendment under section 488.202, file a petition pursuant to  
24 28 section 488.205, or deliver to the secretary of state for  
24 29 filing a statement of change pursuant to section 488.115 or a  
24 30 statement of correction pursuant to section 488.207.

24 31 2. Signing a record authorized or required to be filed  
24 32 under this chapter that the signer knows to be false in  
24 33 material respect constitutes a serious misdemeanor punishable  
24 34 by a fine not to exceed one thousand dollars.

24 35 Sec. 27. NEW SECTION. 488.209 CERTIFICATE OF EXISTENCE  
25 1 OR AUTHORIZATION.

25 2 1. The secretary of state, upon request and payment of the  
25 3 requisite fee, shall furnish a certificate of existence for a  
25 4 limited partnership if the records filed in the office of the  
25 5 secretary of state show that the secretary of state has filed  
25 6 a certificate of limited partnership and has not filed a  
25 7 statement of termination. A certificate of existence must  
25 8 state all of the following:

25 9 a. The limited partnership's name.

25 10 b. That it was duly formed under the laws of this state  
25 11 and the date of formation.

25 12 c. Whether all fees, taxes, and penalties under this  
25 13 chapter or other law due to the secretary of state have been  
25 14 paid.

25 15 d. Whether the limited partnership's most recent biennial  
25 16 report required by section 488.210 has been filed by the  
25 17 secretary of state.

25 18 e. Whether the secretary of state has administratively  
25 19 dissolved the limited partnership.

25 20 f. Whether the limited partnership's certificate of  
25 21 limited partnership has been amended to state that the limited  
25 22 partnership is dissolved.

25 23 g. That a statement of termination has not been filed by  
25 24 the secretary of state.

25 25 h. Other facts of record in the office of the secretary of  
25 26 state which may be requested by the applicant.

25 27 2. The secretary of state, upon request and payment of the  
25 28 requisite fee, shall furnish a certificate of authorization  
25 29 for a foreign limited partnership if the records filed in the  
25 30 office of the secretary of state show that the secretary of  
25 31 state has filed a certificate of authority, has not revoked  
25 32 the certificate of authority, and has not filed a notice of  
25 33 cancellation. A certificate of authorization must state all  
25 34 of the following:

25 35 a. The foreign limited partnership's name and any  
26 1 alternate name adopted under section 488.905, subsection 1,  
26 2 for use in this state.

26 3 b. That it is authorized to transact business in this  
26 4 state.

26 5 c. Whether all fees, taxes, and penalties under this  
26 6 chapter or other law due to the secretary of state have been  
26 7 paid.

26 8 d. Whether the foreign limited partnership's most recent  
26 9 biennial report required by section 488.210 has been filed by  
26 10 the secretary of state.

26 11 e. That the secretary of state has not revoked its  
26 12 certificate of authority and has not filed a notice of  
26 13 cancellation.  
26 14 f. Other facts of record in the office of the secretary of  
26 15 state which may be requested by the applicant.  
26 16 3. Subject to any qualification stated in the certificate,  
26 17 a certificate of existence or authorization issued by the  
26 18 secretary of state may be relied upon as conclusive evidence  
26 19 that the limited partnership or foreign limited partnership is  
26 20 in existence or is authorized to transact business in this  
26 21 state.

26 22 Sec. 28. NEW SECTION. 488.210 BIENNIAL REPORT FOR  
26 23 SECRETARY OF STATE.

26 24 1. A limited partnership or a foreign limited partnership  
26 25 authorized to transact business in this state shall deliver to  
26 26 the secretary of state for filing a biennial report that  
26 27 states all of the following:

26 28 a. The name of the limited partnership or foreign limited  
26 29 partnership.

26 30 b. The street and mailing address of its designated office  
26 31 and the name and street and mailing address of its agent for  
26 32 service of process in this state.

26 33 c. In the case of a limited partnership, the street and  
26 34 mailing address of its principal office.

26 35 d. In the case of a foreign limited partnership, the state  
27 1 or other jurisdiction under whose law the foreign limited  
27 2 partnership is formed and any alternate name adopted under  
27 3 section 488.905, subsection 1.

27 4 2. Information in a biennial report must be current as of  
27 5 the date the biennial report is delivered to the secretary of  
27 6 state for filing.

27 7 3. If a biennial report does not contain the information  
27 8 required in subsection 1, the secretary of state shall  
27 9 promptly notify the reporting limited partnership or foreign  
27 10 limited partnership and return the report to it for  
27 11 correction. If the report is corrected to contain the  
27 12 information required in subsection 1 and delivered to the  
27 13 secretary of state within thirty days after the effective date  
27 14 of the notice, it is timely delivered.

27 15 4. If a filed biennial report contains an address of a  
27 16 designated office or the name or address of an agent for  
27 17 service of process which differs from the information shown in  
27 18 the records of the secretary of state immediately before the  
27 19 filing, the differing information in the biennial report is  
27 20 considered a statement of change under section 488.115.

27 21 5. The first biennial report shall be delivered to the  
27 22 secretary of state between January 1 and April 1 of the first  
27 23 odd-numbered year following the calendar year in which a  
27 24 limited partnership was formed or a foreign limited  
27 25 partnership was authorized to transact business. Subsequent  
27 26 biennial reports must be delivered to the secretary of state  
27 27 between January 1 and April 1 of the following odd-numbered  
27 28 calendar years. A filing fee for the biennial report shall be  
27 29 determined by the secretary of state. For purposes of this  
27 30 section, each biennial report shall contain information  
27 31 related to the two-year period immediately preceding the  
27 32 calendar year in which the report is filed.

#### 27 33 ARTICLE III

#### 27 34 LIMITED PARTNERS

27 35 Sec. 29. NEW SECTION. 488.301 BECOMING LIMITED PARTNER.

28 1 A person becomes a limited partner according to any of the  
28 2 following:

28 3 1. As provided in the partnership agreement.

28 4 2. As the result of a conversion or merger under article  
28 5 11.

28 6 3. With the consent of all the partners.

28 7 Sec. 30. NEW SECTION. 488.302 NO RIGHT OR POWER AS  
28 8 LIMITED PARTNER TO BIND LIMITED PARTNERSHIP.

28 9 A limited partner does not have the right or the power as a  
28 10 limited partner to act for or bind the limited partnership.

28 11 Sec. 31. NEW SECTION. 488.303 NO LIABILITY AS LIMITED  
28 12 PARTNER FOR LIMITED PARTNERSHIP OBLIGATIONS.

28 13 An obligation of a limited partnership, whether arising in  
28 14 contract, tort, or otherwise, is not the obligation of a  
28 15 limited partner. A limited partner is not personally liable,  
28 16 directly or indirectly, by way of contribution or otherwise,  
28 17 for an obligation of the limited partnership solely by reason  
28 18 of being a limited partner, even if the limited partner  
28 19 participates in the management and control of the limited  
28 20 partnership.

28 21 Sec. 32. NEW SECTION. 488.304 RIGHT OF LIMITED PARTNER

28 22 AND FORMER LIMITED PARTNER TO INFORMATION.

28 23 1. On ten days' demand, made in a record received by the  
28 24 limited partnership, a limited partner may inspect and copy  
28 25 required information during regular business hours in the  
28 26 limited partnership's designated office. The limited partner  
28 27 need not have any particular purpose for seeking the  
28 28 information.

28 29 2. During regular business hours and at a reasonable  
28 30 location specified by the limited partnership, a limited  
28 31 partner may obtain from the limited partnership and inspect  
28 32 and copy true and full information regarding the state of the  
28 33 activities and financial condition of the limited partnership  
28 34 and other information regarding the activities of the limited  
28 35 partnership as is just and reasonable if the limited partner  
29 1 complies with all of the following:

29 2 a. The limited partner seeks the information for a purpose  
29 3 reasonably related to the partner's interest as a limited  
29 4 partner.

29 5 b. The limited partner makes a demand in a record received  
29 6 by the limited partnership, describing with reasonable  
29 7 particularity the information sought and the purpose for  
29 8 seeking the information.

29 9 c. The information sought is directly connected to the  
29 10 limited partner's purpose.

29 11 3. Within ten days after receiving a demand pursuant to  
29 12 subsection 2, the limited partnership in a record shall inform  
29 13 the limited partner that made the demand of all of the  
29 14 following:

29 15 a. What information the limited partnership will provide  
29 16 in response to the demand.

29 17 b. When and where the limited partnership will provide the  
29 18 information.

29 19 c. If the limited partnership declines to provide any  
29 20 demanded information, the limited partnership's reasons for  
29 21 declining.

29 22 4. Subject to subsection 6, a person dissociated as a  
29 23 limited partner may inspect and copy required information  
29 24 during regular business hours in the limited partnership's  
29 25 designated office if the person complies with all of the  
29 26 following:

29 27 a. The information pertains to the period during which the  
29 28 person was a limited partner.

29 29 b. The person seeks the information in good faith.

29 30 c. The person meets the requirements of subsection 2.

29 31 5. The limited partnership shall respond to a demand made  
29 32 pursuant to subsection 4 in the same manner as provided in  
29 33 subsection 3.

29 34 6. If a limited partner dies, section 488.704 applies.

29 35 7. The limited partnership may impose reasonable  
30 1 restrictions on the use of information obtained under this  
30 2 section. In a dispute concerning the reasonableness of a  
30 3 restriction under this subsection, the limited partnership has  
30 4 the burden of proving reasonableness.

30 5 8. A limited partnership may charge a person that makes a  
30 6 demand under this section reasonable costs of copying, limited  
30 7 to the costs of labor and material.

30 8 9. Whenever this chapter or a partnership agreement  
30 9 provides for a limited partner to give or withhold consent to  
30 10 a matter, before the consent is given or withheld, the limited  
30 11 partnership shall, without demand, provide the limited partner  
30 12 with all information material to the limited partner's  
30 13 decision that the limited partnership knows.

30 14 10. A limited partner or person dissociated as a limited  
30 15 partner may exercise the rights under this section through an  
30 16 attorney or other agent. Any restriction imposed under  
30 17 subsection 7 or by the partnership agreement applies both to  
30 18 the attorney or other agent and to the limited partner or  
30 19 person dissociated as a limited partner.

30 20 11. The rights stated in this section do not extend to a  
30 21 person as transferee, but may be exercised by the legal  
30 22 representative of an individual under legal disability who is  
30 23 a limited partner or person dissociated as a limited partner.

30 24 Sec. 33. NEW SECTION. 488.305 LIMITED DUTIES OF LIMITED  
30 25 PARTNERS.

30 26 1. A limited partner does not have any fiduciary duty to  
30 27 the limited partnership or to any other partner solely by  
30 28 reason of being a limited partner.

30 29 2. A limited partner shall discharge the duties to the  
30 30 partnership and the other partners under this chapter or under  
30 31 the partnership agreement and exercise any rights consistently  
30 32 with the obligation of good faith and fair dealing.

30 33 3. A limited partner does not violate a duty or obligation  
30 34 under this chapter or under the partnership agreement merely  
30 35 because the limited partner's conduct furthers the limited  
31 1 partner's own interest.  
31 2 Sec. 34. NEW SECTION. 488.306 PERSON ERRONEOUSLY  
31 3 BELIEVING SELF TO BE LIMITED PARTNER.  
31 4 1. Except as otherwise provided in subsection 2, a person  
31 5 that makes an investment in a business enterprise and  
31 6 erroneously but in good faith believes that the person has  
31 7 become a limited partner in the enterprise is not liable for  
31 8 the enterprise's obligations by reason of making the  
31 9 investment, receiving distributions from the enterprise, or  
31 10 exercising any rights of or appropriate to a limited partner,  
31 11 if, on ascertaining the mistake, the person does either of the  
31 12 following:  
31 13 a. Causes an appropriate certificate of limited  
31 14 partnership, amendment, or statement of correction to be  
31 15 signed and delivered to the secretary of state for filing.  
31 16 b. Withdraws from future participation as an owner in the  
31 17 enterprise by signing and delivering to the secretary of state  
31 18 for filing a statement of withdrawal under this section.  
31 19 2. A person that makes an investment described in  
31 20 subsection 1 is liable to the same extent as a general partner  
31 21 to any third party that enters into a transaction with the  
31 22 enterprise, believing in good faith that the person is a  
31 23 general partner, before the secretary of state files a  
31 24 statement of withdrawal, certificate of limited partnership,  
31 25 amendment, or statement of correction to show that the person  
31 26 is not a general partner.  
31 27 3. If a person makes a diligent effort in good faith to  
31 28 comply with subsection 1, paragraph "a", and is unable to  
31 29 cause the appropriate certificate of limited partnership,  
31 30 amendment, or statement of correction to be signed and  
31 31 delivered to the secretary of state for filing, the person has  
31 32 the right to withdraw from the enterprise pursuant to  
31 33 subsection 1, paragraph "b", even if the withdrawal would  
31 34 otherwise breach an agreement with others that are or have  
31 35 agreed to become co-owners of the enterprise.

#### 32 1 ARTICLE IV

#### 32 2 GENERAL PARTNERS

32 3 Sec. 35. NEW SECTION. 488.401 BECOMING GENERAL PARTNER.  
32 4 A person becomes a general partner according to any of the  
32 5 following:

- 32 6 1. As provided in the partnership agreement.
- 32 7 2. Under section 488.801, subsection 3, paragraph "b",  
32 8 following the dissociation of a limited partnership's last  
32 9 general partner.
- 32 10 3. As the result of a conversion or merger under article  
32 11 11.
- 32 12 4. With the consent of all the partners.

32 13 Sec. 36. NEW SECTION. 488.402 GENERAL PARTNER AGENT OF  
32 14 LIMITED PARTNERSHIP.

32 15 1. Each general partner is an agent of the limited  
32 16 partnership for the purposes of its activities. An act of a  
32 17 general partner, including the signing of a record in the  
32 18 partnership's name, for apparently carrying on in the ordinary  
32 19 course the limited partnership's activities or activities of  
32 20 the kind carried on by the limited partnership binds the  
32 21 limited partnership, unless the general partner did not have  
32 22 authority to act for the limited partnership in the particular  
32 23 matter and the person with which the general partner was  
32 24 dealing knew, had received a notification, or had notice under  
32 25 section 488.103, subsection 4, that the general partner lacked  
32 26 authority.

32 27 2. An act of a general partner which is not apparently for  
32 28 carrying on in the ordinary course the limited partnership's  
32 29 activities or activities of the kind carried on by the limited  
32 30 partnership binds the limited partnership only if the act was  
32 31 authorized in the partnership agreement or by all the other  
32 32 partners.

32 33 Sec. 37. NEW SECTION. 488.403 LIMITED PARTNERSHIP LIABLE  
32 34 FOR GENERAL PARTNER'S ACTIONABLE CONDUCT.

32 35 1. A limited partnership is liable for loss or injury  
33 1 caused to a person, or for a penalty incurred, as a result of  
33 2 a wrongful act or omission, or other actionable conduct, of a  
33 3 general partner acting in the ordinary course of activities of  
33 4 the limited partnership or with authority of the limited  
33 5 partnership.

33 6 2. If, in the course of the limited partnership's  
33 7 activities or while acting with authority of the limited  
33 8 partnership, a general partner receives or causes the limited

33 9 partnership to receive money or property of a person not a  
33 10 partner, and the money or property is misapplied by a general  
33 11 partner, the limited partnership is liable for the loss.

33 12 Sec. 38. NEW SECTION. 488.404 GENERAL PARTNER'S  
33 13 LIABILITY.

33 14 1. Except as otherwise provided in subsections 2 and 3,  
33 15 all general partners are liable jointly and severally for all  
33 16 obligations of the limited partnership unless otherwise agreed  
33 17 by the claimant or provided by law.

33 18 2. A person that becomes a general partner of an existing  
33 19 limited partnership is not personally liable for an obligation  
33 20 of a limited partnership incurred before the person became a  
33 21 general partner.

33 22 3. An obligation of a limited partnership incurred while  
33 23 the limited partnership is a limited liability limited  
33 24 partnership, whether arising in contract, tort, or otherwise,  
33 25 is solely the obligation of the limited partnership. A  
33 26 general partner is not personally liable, directly or  
33 27 indirectly, by way of contribution or otherwise, for such an  
33 28 obligation solely by reason of being or acting as a general  
33 29 partner. This subsection applies despite anything  
33 30 inconsistent in the partnership agreement that existed  
33 31 immediately before the consent required to become a limited  
33 32 liability limited partnership under section 488.406,  
33 33 subsection 2, paragraph "b".

33 34 Sec. 39. NEW SECTION. 488.405 ACTIONS BY AND AGAINST  
33 35 PARTNERSHIP AND PARTNERS.

34 1 1. To the extent not inconsistent with section 488.404, a  
34 2 general partner may be joined in an action against the limited  
34 3 partnership or named in a separate action.

34 4 2. A judgment against a limited partnership is not by  
34 5 itself a judgment against a general partner. A judgment  
34 6 against a limited partnership shall not be satisfied from a  
34 7 general partner's assets unless there is also a judgment  
34 8 against the general partner.

34 9 3. A judgment creditor of a general partner shall not levy  
34 10 execution against the assets of the general partner to satisfy  
34 11 a judgment based on a claim against the limited partnership,  
34 12 unless the partner is personally liable for the claim under  
34 13 section 488.404 and at least one of the following applies:

34 14 a. A judgment based on the same claim has been obtained  
34 15 against the limited partnership and a writ of execution on the  
34 16 judgment has been returned unsatisfied in whole or in part.

34 17 b. The limited partnership is a debtor in bankruptcy.

34 18 c. The general partner has agreed that the creditor need  
34 19 not exhaust limited partnership assets.

34 20 d. A court grants permission to the judgment creditor to  
34 21 levy execution against the assets of a general partner based  
34 22 on a finding that limited partnership assets subject to  
34 23 execution are clearly insufficient to satisfy the judgment,  
34 24 that exhaustion of limited partnership assets is excessively  
34 25 burdensome, or that the grant of permission is an appropriate  
34 26 exercise of the court's equitable powers.

34 27 e. Liability is imposed on the general partner by law or  
34 28 contract independent of the existence of the limited  
34 29 partnership.

34 30 Sec. 40. NEW SECTION. 488.406 MANAGEMENT RIGHTS OF  
34 31 GENERAL PARTNER.

34 32 1. Each general partner has equal rights in the management  
34 33 and conduct of the limited partnership's activities. Except  
34 34 as expressly provided in this chapter, any matter relating to  
34 35 the activities of the limited partnership may be exclusively  
35 1 decided by the general partner or, if there is more than one  
35 2 general partner, by a majority of the general partners.

35 3 2. The consent of each partner is necessary to do any or  
35 4 all of the following:

35 5 a. Amend the partnership agreement.

35 6 b. Amend the certificate of limited partnership to add or,  
35 7 subject to section 488.1110, delete a statement that the  
35 8 limited partnership is a limited liability limited  
35 9 partnership.

35 10 c. Sell, lease, exchange, or otherwise dispose of all, or  
35 11 substantially all, of the limited partnership's property, with  
35 12 or without the goodwill, other than in the usual and regular  
35 13 course of the limited partnership's activities.

35 14 3. A limited partnership shall reimburse a general partner  
35 15 for payments made and indemnify a general partner for  
35 16 liabilities incurred by the general partner in the ordinary  
35 17 course of the activities of the partnership or for the  
35 18 preservation of its activities or property.

35 19 4. A limited partnership shall reimburse a general partner

35 20 for an advance to the limited partnership beyond the amount of  
35 21 capital the general partner agreed to contribute.

35 22 5. A payment or advance made by a general partner which  
35 23 gives rise to an obligation of the limited partnership under  
35 24 subsection 3 or 4 constitutes a loan to the limited  
35 25 partnership which accrues interest from the date of the  
35 26 payment or advance.

35 27 6. A general partner is not entitled to remuneration for  
35 28 services performed for the partnership.

35 29 Sec. 41. NEW SECTION. 488.407 RIGHT OF GENERAL PARTNER  
35 30 AND FORMER GENERAL PARTNER TO INFORMATION.

35 31 1. A general partner, without having any particular  
35 32 purpose for seeking the information, may inspect and copy  
35 33 during regular business hours any or all of the following:

35 34 a. In the limited partnership's designated office,  
35 35 required information.

36 1 b. At a reasonable location specified by the limited  
36 2 partnership, any other records maintained by the limited  
36 3 partnership regarding the limited partnership's activities and  
36 4 financial condition.

36 5 2. Each general partner and the limited partnership shall  
36 6 furnish to a general partner all of the following:

36 7 a. Without demand, any information concerning the limited  
36 8 partnership's activities and financial condition reasonably  
36 9 required for the proper exercise of the general partner's  
36 10 rights and duties under the partnership agreement or this  
36 11 chapter.

36 12 b. On demand, any other information concerning the limited  
36 13 partnership's activities, except to the extent the demand or  
36 14 the information demanded is unreasonable or otherwise improper  
36 15 under the circumstances.

36 16 3. Subject to subsection 5, on ten days' demand made in a  
36 17 record received by the limited partnership, a person  
36 18 dissociated as a general partner may have access to the  
36 19 information and records described in subsection 1 at the  
36 20 location specified in subsection 1 if all of the following  
36 21 apply:

36 22 a. The information or record pertains to the period during  
36 23 which the person was a general partner.

36 24 b. The person seeks the information or record in good  
36 25 faith.

36 26 c. The person satisfies the requirements imposed on a  
36 27 limited partner by section 488.304, subsection 2.

36 28 4. The limited partnership shall respond to a demand made  
36 29 pursuant to subsection 3 in the same manner as provided in  
36 30 section 488.304, subsection 3.

36 31 5. If a general partner dies, section 488.704 applies.

36 32 6. The limited partnership may impose reasonable  
36 33 restrictions on the use of information under this section. In  
36 34 any dispute concerning the reasonableness of a restriction  
36 35 under this subsection, the limited partnership has the burden  
37 1 of proving reasonableness.

37 2 7. A limited partnership may charge a person dissociated  
37 3 as a general partner that makes a demand under this section  
37 4 reasonable costs of copying, limited to the costs of labor and  
37 5 material.

37 6 8. A general partner or person dissociated as a general  
37 7 partner may exercise the rights under this section through an  
37 8 attorney or other agent. Any restriction imposed under  
37 9 subsection 6 or by the partnership agreement applies both to  
37 10 the attorney or other agent and to the general partner or  
37 11 person dissociated as a general partner.

37 12 9. The rights under this section do not extend to a person  
37 13 as transferee, but the rights under subsection 3 of a person  
37 14 dissociated as a general partner may be exercised by the legal  
37 15 representative of an individual who dissociated as a general  
37 16 partner under section 488.603, subsection 7, paragraph "b" or  
37 17 "c".

37 18 Sec. 42. NEW SECTION. 488.408 GENERAL STANDARDS OF  
37 19 GENERAL PARTNER'S CONDUCT.

37 20 1. The only fiduciary duties that a general partner has to  
37 21 the limited partnership and the other partners are the duties  
37 22 of loyalty and care under subsections 2 and 3.

37 23 2. A general partner's duty of loyalty to the limited  
37 24 partnership and the other partners is limited to all of the  
37 25 following:

37 26 a. To account to the limited partnership and hold as  
37 27 trustee for it any property, profit, or benefit derived by the  
37 28 general partner in the conduct and winding up of the limited  
37 29 partnership's activities or derived from a use by the general  
37 30 partner of limited partnership property, including the



37 31 appropriation of a limited partnership opportunity.  
37 32 b. To refrain from dealing with the limited partnership in  
37 33 the conduct or winding up of the limited partnership's  
37 34 activities as or on behalf of a party having an interest  
37 35 adverse to the limited partnership.  
38 1 c. To refrain from competing with the limited partnership  
38 2 in the conduct or winding up of the limited partnership's  
38 3 activities.  
38 4 3. A general partner's duty of care to the limited  
38 5 partnership and the other partners in the conduct and winding  
38 6 up of the limited partnership's activities is limited to  
38 7 refraining from engaging in grossly negligent or reckless  
38 8 conduct, intentional misconduct, or a knowing violation of  
38 9 law.  
38 10 4. A general partner shall discharge the duties to the  
38 11 partnership and the other partners under this chapter or under  
38 12 the partnership agreement and exercise any rights consistently  
38 13 with the obligation of good faith and fair dealing.  
38 14 5. A general partner does not violate a duty or obligation  
38 15 under this chapter or under the partnership agreement merely  
38 16 because the general partner's conduct furthers the general  
38 17 partner's own interest.

#### 38 18 ARTICLE V

##### 38 19 CONTRIBUTIONS AND DISTRIBUTIONS

38 20 Sec. 43. NEW SECTION. 488.501 FORM OF CONTRIBUTION.

38 21 A contribution of a partner may consist of tangible or  
38 22 intangible property or other benefit to the limited  
38 23 partnership, including money, services performed, promissory  
38 24 notes, other agreements to contribute cash or property, and  
38 25 contracts for services to be performed.

38 26 Sec. 44. NEW SECTION. 488.502 LIABILITY FOR  
38 27 CONTRIBUTION.

38 28 1. A partner's obligation to contribute money or other  
38 29 property or other benefit to, or to perform services for, a  
38 30 limited partnership is not excused by the partner's death,  
38 31 disability, or other inability to perform personally.

38 32 2. If a partner does not make a promised nonmonetary  
38 33 contribution, the partner is obligated at the option of the  
38 34 limited partnership to contribute money equal to that portion  
38 35 of the value, as stated in the required information, of the  
39 1 stated contribution which has not been made.

39 2 3. The obligation of a partner to make a contribution or  
39 3 return money or other property paid or distributed in  
39 4 violation of this chapter may be compromised only by consent  
39 5 of all partners. A creditor of a limited partnership which  
39 6 extends credit or otherwise acts in reliance on an obligation  
39 7 described in subsection 1, without notice of any compromise  
39 8 under this subsection, may enforce the original obligation.

39 9 Sec. 45. NEW SECTION. 488.503 SHARING OF DISTRIBUTIONS.

39 10 A distribution by a limited partnership must be shared  
39 11 among the partners on the basis of the value, as stated in the  
39 12 required information, when the limited partnership decides to  
39 13 make the distribution, of the contributions the limited  
39 14 partnership has received from each partner.

39 15 Sec. 46. NEW SECTION. 488.504 INTERIM DISTRIBUTIONS.

39 16 A partner does not have a right to any distribution before  
39 17 the dissolution and winding up of the limited partnership  
39 18 unless the limited partnership decides to make an interim  
39 19 distribution.

39 20 Sec. 47. NEW SECTION. 488.505 NO DISTRIBUTION ON ACCOUNT  
39 21 OF DISSOCIATION.

39 22 A person does not have a right to receive a distribution on  
39 23 account of dissociation.

39 24 Sec. 48. NEW SECTION. 488.506 DISTRIBUTION IN KIND.

39 25 A partner does not have a right to demand or receive any  
39 26 distribution from a limited partnership in any form other than  
39 27 cash. Subject to section 488.812, subsection 2, a limited  
39 28 partnership may distribute an asset in kind to the extent each  
39 29 partner receives a percentage of the asset equal to the  
39 30 partner's share of distributions.

39 31 Sec. 49. NEW SECTION. 488.507 RIGHT TO DISTRIBUTION.

39 32 When a partner or transferee becomes entitled to receive a  
39 33 distribution, the partner or transferee has the status of, and  
39 34 is entitled to all remedies available to, a creditor of the  
39 35 limited partnership with respect to the distribution.

40 1 However, the limited partnership's obligation to make a  
40 2 distribution is subject to offset for any amount owed to the  
40 3 limited partnership by the partner or dissociated partner on  
40 4 whose account the distribution is made.

40 5 Sec. 50. NEW SECTION. 488.508 LIMITATIONS ON  
40 6 DISTRIBUTION.

40 7 1. A limited partnership shall not make a distribution in  
40 8 violation of the partnership agreement.

40 9 2. A limited partnership shall not make a distribution if  
40 10 after the distribution any of the following would result:

40 11 a. The limited partnership would not be able to pay its  
40 12 debts as they become due in the ordinary course of the limited  
40 13 partnership's activities.

40 14 b. The limited partnership's total assets would be less  
40 15 than the sum of its total liabilities plus the amount that  
40 16 would be needed, if the limited partnership were to be  
40 17 dissolved, wound up, and terminated at the time of the  
40 18 distribution, to satisfy the preferential rights upon  
40 19 dissolution, winding up, and termination of partners whose  
40 20 preferential rights are superior to those of persons receiving  
40 21 the distribution.

40 22 3. A limited partnership may base a determination that a  
40 23 distribution is not prohibited under subsection 2 on financial  
40 24 statements prepared on the basis of accounting practices and  
40 25 principles that are reasonable in the circumstances or on a  
40 26 fair valuation or other method that is reasonable in the  
40 27 circumstances.

40 28 4. Except as otherwise provided in subsection 7, the  
40 29 effect of a distribution under subsection 2 is measured  
40 30 according to either of the following:

40 31 a. In the case of distribution by purchase, redemption, or  
40 32 other acquisition of a transferable interest in the limited  
40 33 partnership, as of the date money or other property is  
40 34 transferred or debt incurred by the limited partnership.

40 35 b. In all other cases, as of the date of either of the  
41 1 following:

41 2 (1) The date the distribution is authorized, if the  
41 3 payment occurs within one hundred twenty days after that date.

41 4 (2) The date the payment is made, if payment occurs more  
41 5 than one hundred twenty days after the distribution is  
41 6 authorized.

41 7 5. A limited partnership's indebtedness to a partner  
41 8 incurred by reason of a distribution made in accordance with  
41 9 this section is at parity with the limited partnership's  
41 10 indebtedness to its general, unsecured creditors.

41 11 6. A limited partnership's indebtedness, including  
41 12 indebtedness issued in connection with or as part of a  
41 13 distribution, is not considered a liability for purposes of  
41 14 subsection 2 if the terms of the indebtedness provide that  
41 15 payment of principal and interest are made only to the extent  
41 16 that a distribution could then be made to partners under this  
41 17 section.

41 18 7. If indebtedness is issued as a distribution, each  
41 19 payment of principal or interest on the indebtedness is  
41 20 treated as a distribution, the effect of which is measured on  
41 21 the date the payment is made.

41 22 Sec. 51. NEW SECTION. 488.509 LIABILITY FOR IMPROPER  
41 23 DISTRIBUTIONS.

41 24 1. A general partner that consents to a distribution made  
41 25 in violation of section 488.508 is personally liable to the  
41 26 limited partnership for the amount of the distribution which  
41 27 exceeds the amount that could have been distributed without  
41 28 the violation if it is established that in consenting to the  
41 29 distribution the general partner failed to comply with section  
41 30 488.408.

41 31 2. A partner or transferee that received a distribution  
41 32 knowing that the distribution to that partner or transferee  
41 33 was made in violation of section 488.508 is personally liable  
41 34 to the limited partnership but only to the extent that the  
41 35 distribution received by the partner or transferee exceeded  
42 1 the amount that could have been properly paid under section  
42 2 488.508.

42 3 3. A general partner against which an action is commenced  
42 4 under subsection 1 may do any or all of the following:

42 5 a. Implead in the action any other person that is liable  
42 6 under subsection 1 and compel contribution from the person.

42 7 b. Implead in the action any person that received a  
42 8 distribution in violation of subsection 2 and compel  
42 9 contribution from the person in the amount the person received  
42 10 in violation of subsection 2.

42 11 4. An action under this section is barred if it is not  
42 12 commenced within two years after the distribution.

42 13 ARTICLE VI  
42 14 DISSOCIATION

42 15 Sec. 52. NEW SECTION. 488.601 DISSOCIATION AS LIMITED  
42 16 PARTNER.

42 17 1. A person does not have a right to dissociate as a

42 18 limited partner before the termination of the limited  
42 19 partnership.

42 20 2. A person is dissociated from a limited partnership as a  
42 21 limited partner upon the occurrence of any of the following  
42 22 events:

42 23 a. The limited partnership's having notice of the person's  
42 24 express will to withdraw as a limited partner or on a later  
42 25 date specified by the person.

42 26 b. An event agreed to in the partnership agreement as  
42 27 causing the person's dissociation as a limited partner.

42 28 c. The person's expulsion as a limited partner pursuant to  
42 29 the partnership agreement.

42 30 d. The person's expulsion as a limited partner by the  
42 31 unanimous consent of the other partners if any of the  
42 32 following apply:

42 33 (1) It is unlawful to carry on the limited partnership's  
42 34 activities with the person as a limited partner.

42 35 (2) There has been a transfer of all of the person's  
43 1 transferable interest in the limited partnership, other than a  
43 2 transfer for security purposes, or a court order charging the  
43 3 person's interest, which has not been foreclosed.

43 4 (3) The person is a corporation and, within ninety days  
43 5 after the limited partnership notifies the person that it will  
43 6 be expelled as a limited partner because it has filed a  
43 7 certificate of dissolution or the equivalent, its charter has  
43 8 been revoked, or its right to conduct business has been  
43 9 suspended by the jurisdiction of its incorporation, there is  
43 10 no revocation of the certificate of dissolution or no  
43 11 reinstatement of its charter or its right to conduct business.

43 12 (4) The person is a limited liability company or  
43 13 partnership that has been dissolved and whose business is  
43 14 being wound up.

43 15 e. On application by the limited partnership, the person's  
43 16 expulsion as a limited partner by judicial order because of  
43 17 any of the following:

43 18 (1) The person engaged in wrongful conduct that adversely  
43 19 and materially affected the limited partnership's activities.

43 20 (2) The person willfully or persistently committed a  
43 21 material breach of the partnership agreement or of the  
43 22 obligation of good faith and fair dealing under section  
43 23 488.305, subsection 2.

43 24 (3) The person engaged in conduct relating to the limited  
43 25 partnership's activities which makes it not reasonably  
43 26 practicable to carry on the activities with the person as  
43 27 limited partner.

43 28 f. In the case of a person who is an individual, the  
43 29 person's death.

43 30 g. In the case of a person that is a trust or is acting as  
43 31 a limited partner by virtue of being a trustee of a trust,  
43 32 distribution of the trust's entire transferable interest in  
43 33 the limited partnership, but not merely by reason of the  
43 34 substitution of a successor trustee.

43 35 h. In the case of a person that is an estate or is acting  
44 1 as a limited partner by virtue of being a personal  
44 2 representative of an estate, distribution of the estate's  
44 3 entire transferable interest in the limited partnership, but  
44 4 not merely by reason of the substitution of a successor  
44 5 personal representative.

44 6 i. Termination of a limited partner that is not an  
44 7 individual, partnership, limited liability company,  
44 8 corporation, trust, or estate.

44 9 j. The limited partnership's participation in a conversion  
44 10 or merger under article 11, if either of the following  
44 11 applies:

44 12 (1) The limited partnership is not the converted or  
44 13 surviving entity.

44 14 (2) The limited partnership is the converted or surviving  
44 15 entity but, as a result of the conversion or merger, the  
44 16 person ceases to be a limited partner.

44 17 Sec. 53. NEW SECTION. 488.602 EFFECT OF DISSOCIATION AS  
44 18 LIMITED PARTNER.

44 19 1. Upon a person's dissociation as a limited partner, all  
44 20 of the following apply:

44 21 a. Subject to section 488.704, the person does not have  
44 22 further rights as a limited partner.

44 23 b. The person's obligation of good faith and fair dealing  
44 24 as a limited partner under section 488.305, subsection 2,  
44 25 continues only as to matters arising and events occurring  
44 26 before the dissociation.

44 27 c. Subject to section 488.704 and article 11, any  
44 28 transferable interest owned by the person in the person's

44 29 capacity as a limited partner immediately before dissociation  
44 30 is owned by the person as a mere transferee.

44 31 2. A person's dissociation as a limited partner does not  
44 32 of itself discharge the person from any obligation to the  
44 33 limited partnership or the other partners which the person  
44 34 incurred while a limited partner.

44 35 Sec. 54. NEW SECTION. 488.603 DISSOCIATION AS GENERAL  
45 1 PARTNER.

45 2 A person is dissociated from a limited partnership as a  
45 3 general partner upon the occurrence of any of the following  
45 4 events:

45 5 1. The limited partnership's having notice of the person's  
45 6 express will to withdraw as a general partner or on a later  
45 7 date specified by the person.

45 8 2. An event agreed to in the partnership agreement as  
45 9 causing the person's dissociation as a general partner.

45 10 3. The person's expulsion as a general partner pursuant to  
45 11 the partnership agreement.

45 12 4. The person's expulsion as a general partner by the  
45 13 unanimous consent of the other partners if any of the  
45 14 following apply:

45 15 a. It is unlawful to carry on the limited partnership's  
45 16 activities with the person as a general partner.

45 17 b. There has been a transfer of all or substantially all  
45 18 of the person's transferable interest in the limited  
45 19 partnership, other than a transfer for security purposes, or a  
45 20 court order charging the person's interest, which has not been  
45 21 foreclosed.

45 22 c. The person is an entity which participates in a merger  
45 23 and is not the surviving entity.

45 24 5. On application by the limited partnership, the person's  
45 25 expulsion as a general partner by judicial determination  
45 26 because of any of the following:

45 27 a. The person engaged in wrongful conduct that adversely  
45 28 and materially affected the limited partnership activities.

45 29 b. The person willfully or persistently committed a  
45 30 material breach of the partnership agreement or of a duty owed  
45 31 to the partnership or the other partners under section  
45 32 488.408.

45 33 c. The person engaged in conduct relating to the limited  
45 34 partnership's activities which makes it not reasonably  
45 35 practicable to carry on the activities of the limited  
46 1 partnership with the person as a general partner.

46 2 6. The person does or is one of the following:

46 3 a. Becomes a debtor in bankruptcy.

46 4 b. Executes an assignment for the benefit of creditors.

46 5 c. Seeks, consents to, or acquiesces in the appointment of  
46 6 a trustee, receiver, or liquidator of the person or of all or  
46 7 substantially all of the person's property.

46 8 d. Fails, within ninety days after the appointment, to  
46 9 have vacated or stayed the appointment of a trustee, receiver,  
46 10 or liquidator of the general partner or of all or  
46 11 substantially all of the person's property obtained without  
46 12 the person's consent or acquiescence, or failing within ninety  
46 13 days after the expiration of a stay to have the appointment  
46 14 vacated.

46 15 e. Is a corporation that has filed articles of dissolution  
46 16 or the equivalent, has had its charter revoked, or has had its  
46 17 right to conduct business suspended by the jurisdiction of its  
46 18 incorporation, and all of the following apply:

46 19 (1) There is no revocation of the articles of dissolution  
46 20 or no reinstatement of its charter of its right to conduct  
46 21 business within ninety days after such filing, revocation, or  
46 22 suspension.

46 23 (2) The limited partnership, or any partner, notifies the  
46 24 partners that such filing, revocation, or suspension has  
46 25 occurred, and no vote to retain the general partner occurs  
46 26 within ninety days of such notification.

46 27 f. Is a limited liability company or partnership that has  
46 28 been dissolved and whose business is being wound up, and the  
46 29 limited partnership, or any partner, notifies the partners  
46 30 that such dissolution has occurred and no vote to retain the  
46 31 general partner occurs with ninety days of such notification.

46 32 7. In the case of a person who is an individual, any of  
46 33 the following:

46 34 a. The person's death.

46 35 b. The appointment of a guardian or general conservator  
47 1 for the person.

47 2 c. A judicial determination that the person has otherwise  
47 3 become incapable of performing the person's duties as a  
47 4 general partner under the partnership agreement.

47 5 8. In the case of a person that is a trust or is acting as  
47 6 a general partner by virtue of being a trustee of a trust,  
47 7 distribution of the trust's entire transferable interest in  
47 8 the limited partnership, but not merely by reason of the  
47 9 substitution of a successor trustee.

47 10 9. In the case of a person that is an estate or is acting  
47 11 as a general partner by virtue of being a personal  
47 12 representative of an estate, distribution of the estate's  
47 13 entire transferable interest in the limited partnership, but  
47 14 not merely by reason of the substitution of a successor  
47 15 personal representative.

47 16 10. Termination of a general partner that is not an  
47 17 individual, partnership, limited liability company,  
47 18 corporation, trust, or estate.

47 19 11. The limited partnership's participation in a  
47 20 conversion or merger under article 11, if either of the  
47 21 following applies:

47 22 a. The limited partnership is not the converted or  
47 23 surviving entity.

47 24 b. The limited partnership is the converted or surviving  
47 25 entity but, as a result of the conversion or merger, the  
47 26 person ceases to be a general partner.

47 27 Sec. 55. NEW SECTION. 488.604 PERSON'S POWER TO  
47 28 DISSOCIATE AS GENERAL PARTNER == WRONGFUL DISSOCIATION.

47 29 1. A person has the power to dissociate as a general  
47 30 partner at any time, rightfully or wrongfully, by express will  
47 31 pursuant to section 488.603, subsection 1.

47 32 2. A person's dissociation as a general partner is  
47 33 wrongful only if either of the following applies:

47 34 a. The dissociation is in breach of an express provision  
47 35 of the partnership agreement.

48 1 b. The dissociation occurs before the termination of the  
48 2 limited partnership, and at least one of the following also  
48 3 applies:

48 4 (1) The person withdraws as a general partner by express  
48 5 will.

48 6 (2) The person is expelled as a general partner by  
48 7 judicial determination under section 488.603, subsection 5.

48 8 (3) The person is dissociated as a general partner by  
48 9 becoming a debtor in bankruptcy.

48 10 (4) In the case of a person that is not an individual,  
48 11 trust other than a business trust, or estate, the person is  
48 12 expelled or otherwise dissociated as a general partner because  
48 13 it willfully dissolved or terminated.

48 14 3. A person that wrongfully dissociates as a general  
48 15 partner is liable to the limited partnership and, subject to  
48 16 section 488.1001, to the other partners for damages caused by  
48 17 the dissociation. The liability is in addition to any other  
48 18 obligation of the general partner to the limited partnership  
48 19 or to the other partners.

48 20 Sec. 56. NEW SECTION. 488.605 EFFECT OF DISSOCIATION AS  
48 21 GENERAL PARTNER.

48 22 1. Upon a person's dissociation as a general partner, all  
48 23 of the following apply:

48 24 a. The person's right to participate as a general partner  
48 25 in the management and conduct of the partnership's activities  
48 26 terminates.

48 27 b. The person's duty of loyalty as a general partner under  
48 28 section 488.408, subsection 2, paragraph "c", terminates.

48 29 c. The person's duty of loyalty as a general partner under  
48 30 section 488.408, subsection 2, paragraphs "a" and "b", and  
48 31 duty of care under section 488.408, subsection 3, continue  
48 32 only with regard to matters arising and events occurring  
48 33 before the person's dissociation as a general partner.

48 34 d. The person may sign and deliver to the secretary of  
48 35 state for filing a statement of dissociation pertaining to the  
49 1 person and, at the request of the limited partnership, shall  
49 2 sign an amendment to the certificate of limited partnership  
49 3 which states that the person has dissociated.

49 4 e. Subject to section 488.704 and article 11, any  
49 5 transferable interest owned by the person immediately before  
49 6 dissociation in the person's capacity as a general partner is  
49 7 owned by the person as a mere transferee.

49 8 2. A person's dissociation as a general partner does not  
49 9 of itself discharge the person from any obligation to the  
49 10 limited partnership or the other partners which the person  
49 11 incurred while a general partner.

49 12 Sec. 57. NEW SECTION. 488.606 POWER TO BIND == LIABILITY  
49 13 TO LIMITED PARTNERSHIP BEFORE DISSOLUTION OF PARTNERSHIP OF  
49 14 PERSON DISSOCIATED AS GENERAL PARTNER.

49 15 1. After a person is dissociated as a general partner and

49 16 before the limited partnership is dissolved, converted under  
49 17 article 11, or merged out of existence under article 11, the  
49 18 limited partnership is bound by an act of the person only if  
49 19 all of the following apply:  
49 20 a. The act would have bound the limited partnership under  
49 21 section 488.402 before the dissociation.  
49 22 b. At the time the other party enters into the  
49 23 transaction, all of the following apply:  
49 24 (1) Less than two years have passed since the  
49 25 dissociation.  
49 26 (2) The other party does not have notice of the  
49 27 dissociation and reasonably believes that the person is a  
49 28 general partner.  
49 29 2. If a limited partnership is bound under subsection 1,  
49 30 the person dissociated as a general partner which caused the  
49 31 limited partnership to be bound is liable to the following:  
49 32 a. To the limited partnership for any damage caused to the  
49 33 limited partnership arising from the obligation incurred under  
49 34 subsection 1.  
49 35 b. If a general partner or another person dissociated as a  
50 1 general partner is liable for the obligation, to the general  
50 2 partner or other person for any damage caused to the general  
50 3 partner or other person arising from the liability.  
50 4 Sec. 58. NEW SECTION. 488.607 LIABILITY TO OTHER PERSONS  
50 5 OF PERSON DISSOCIATED AS GENERAL PARTNER.  
50 6 1. A person's dissociation as a general partner does not  
50 7 of itself discharge the person's liability as a general  
50 8 partner for an obligation of the limited partnership incurred  
50 9 before dissociation. Except as otherwise provided in  
50 10 subsections 2 and 3, the person is not liable for a limited  
50 11 partnership's obligation incurred after dissociation.  
50 12 2. A person whose dissociation as a general partner  
50 13 resulted in a dissolution and winding up of the limited  
50 14 partnership's activities is liable to the same extent as a  
50 15 general partner under section 488.404 on an obligation  
50 16 incurred by the limited partnership under section 488.804.  
50 17 3. A person that has dissociated as a general partner but  
50 18 whose dissociation did not result in a dissolution and winding  
50 19 up of the limited partnership's activities is liable on a  
50 20 transaction entered into by the limited partnership after the  
50 21 dissociation only if all of the following apply:  
50 22 a. A general partner would be liable on the transaction.  
50 23 b. At the time the other party enters into the  
50 24 transaction, all of the following apply:  
50 25 (1) Less than two years have passed since the  
50 26 dissociation.  
50 27 (2) The other party does not have notice of the  
50 28 dissociation and reasonably believes that the person is a  
50 29 general partner.  
50 30 4. By agreement with a creditor of a limited partnership  
50 31 and the limited partnership, a person dissociated as a general  
50 32 partner may be released from liability for an obligation of  
50 33 the limited partnership.  
50 34 5. A person dissociated as a general partner is released  
50 35 from liability for an obligation of the limited partnership if  
51 1 the limited partnership's creditor, with notice of the  
51 2 person's dissociation as a general partner but without the  
51 3 person's consent, agrees to a material alteration in the  
51 4 nature or time of payment of the obligation.

#### 51 5 ARTICLE VII

#### 51 6 TRANSFERABLE INTERESTS AND RIGHTS

51 7 Sec. 59. NEW SECTION. 488.701 PARTNER'S TRANSFERABLE  
51 8 INTEREST.

51 9 The only interest of a partner which is transferable is the  
51 10 partner's transferable interest. A transferable interest is  
51 11 personal property.

51 12 Sec. 60. NEW SECTION. 488.702 TRANSFER OF PARTNER'S  
51 13 TRANSFERABLE INTEREST.

51 14 1. All of the following apply to a transfer, in whole or  
51 15 in part, of a partner's transferable interest:

51 16 a. It is permissible.  
51 17 b. It does not by itself cause the partner's dissociation  
51 18 or a dissolution and winding up of the limited partnership's  
51 19 activities.

51 20 c. It does not, as against the other partners or the  
51 21 limited partnership, entitle the transferee to participate in  
51 22 the management or conduct of the limited partnership's  
51 23 activities, to require access to information concerning the  
51 24 limited partnership's transactions except as otherwise  
51 25 provided in subsection 3, or to inspect or copy the required  
51 26 information or the limited partnership's other records.

51 27 2. A transferee has a right to receive, in accordance with  
 51 28 the transfer, all of the following:  
 51 29 a. Distributions to which the transferor would otherwise  
 51 30 be entitled.  
 51 31 b. Upon the dissolution and winding up of the limited  
 51 32 partnership's activities, the net amount otherwise  
 51 33 distributable to the transferor.  
 51 34 3. In a dissolution and winding up, a transferee is  
 51 35 entitled to an account of the limited partnership's  
 52 1 transactions only from the date of dissolution.  
 52 2 4. Upon transfer, the transferor retains the rights of a  
 52 3 partner other than the interest in distributions transferred  
 52 4 and retains all duties and obligations of a partner.  
 52 5 5. A limited partnership need not give effect to a  
 52 6 transferee's rights under this section until the limited  
 52 7 partnership has notice of the transfer.  
 52 8 6. A transfer of a partner's transferable interest in the  
 52 9 limited partnership in violation of a restriction on transfer  
 52 10 contained in the partnership agreement is ineffective as to a  
 52 11 person having notice of the restriction at the time of  
 52 12 transfer.  
 52 13 7. A transferee that becomes a partner with respect to a  
 52 14 transferable interest is liable for the transferor's  
 52 15 obligations under sections 488.502 and 488.509. However, the  
 52 16 transferee is not obligated for liabilities unknown to the  
 52 17 transferee at the time the transferee became a partner.  
 52 18 Sec. 61. NEW SECTION. 488.703 RIGHTS OF CREDITOR OF  
 52 19 PARTNER OR TRANSFEREE.  
 52 20 1. On application to a court of competent jurisdiction by  
 52 21 any judgment creditor of a partner or transferee, the court  
 52 22 may charge the transferable interest of the judgment debtor  
 52 23 with payment of the unsatisfied amount of the judgment with  
 52 24 interest. To the extent so charged, the judgment creditor has  
 52 25 only the rights of a transferee. The court may appoint a  
 52 26 receiver of the share of the distributions due or to become  
 52 27 due to the judgment debtor in respect of the partnership and  
 52 28 make all other orders, directions, accounts, and inquiries the  
 52 29 judgment debtor might have made or which the circumstances of  
 52 30 the case may require to give effect to the charging order.  
 52 31 2. A charging order constitutes a lien on the judgment  
 52 32 debtor's transferable interest. The court may order a  
 52 33 foreclosure upon the interest subject to the charging order at  
 52 34 any time. The purchaser at the foreclosure sale has the  
 52 35 rights of a transferee.  
 53 1 3. At any time before foreclosure, an interest charged may  
 53 2 be redeemed by any of the following:  
 53 3 a. By the judgment debtor.  
 53 4 b. With property other than limited partnership property,  
 53 5 by one or more of the other partners.  
 53 6 c. With limited partnership property, by the limited  
 53 7 partnership with the consent of all partners whose interests  
 53 8 are not so charged.  
 53 9 4. This chapter does not deprive any partner or transferee  
 53 10 of the benefit of any exemption laws applicable to the  
 53 11 partner's or transferee's transferable interest.  
 53 12 5. This section provides the exclusive remedy by which a  
 53 13 judgment creditor of a partner or transferee may satisfy a  
 53 14 judgment out of the judgment debtor's transferable interest.  
 53 15 Sec. 62. NEW SECTION. 488.704 POWER OF ESTATE OF  
 53 16 DECEASED PARTNER.  
 53 17 If a partner dies, the deceased partner's personal  
 53 18 representative or other legal representative may exercise the  
 53 19 rights of a transferee as provided in section 488.702 and, for  
 53 20 the purposes of settling the estate, may exercise the rights  
 53 21 of a current limited partner under section 488.304.  
 53 22 ARTICLE VIII  
 53 23 DISSOLUTION  
 53 24 Sec. 63. NEW SECTION. 488.801 NONJUDICIAL DISSOLUTION.  
 53 25 Except as otherwise provided in section 488.802, a limited  
 53 26 partnership is dissolved, and its activities must be wound up,  
 53 27 only upon the occurrence of any of the following:  
 53 28 1. The happening of an event specified in the partnership  
 53 29 agreement.  
 53 30 2. The consent of all general partners and of limited  
 53 31 partners owning a majority of the rights to receive  
 53 32 distributions as limited partners at the time the consent is  
 53 33 to be effective.  
 53 34 3. After the dissociation of a person as a general  
 53 35 partner, upon occurrence of either of the following:  
 54 1 a. If the limited partnership has at least one remaining  
 54 2 general partner, the consent to dissolve the limited

54 3 partnership given within ninety days after the dissociation by  
54 4 partners owning a majority of the rights to receive  
54 5 distributions as partners at the time the consent is to be  
54 6 effective.

54 7 b. If the limited partnership does not have a remaining  
54 8 general partner, the passage of ninety days after the  
54 9 dissociation, unless before the end of the period, all of the  
54 10 following occur:

54 11 (1) Consent to continue the activities of the limited  
54 12 partnership and admit at least one general partner is given by  
54 13 limited partners owning a majority of the rights to receive  
54 14 distributions as limited partners at the time the consent is  
54 15 to be effective.

54 16 (2) At least one person is admitted as a general partner  
54 17 in accordance with the consent.

54 18 4. The passage of ninety days after the dissociation of  
54 19 the limited partnership's last limited partner, unless before  
54 20 the end of the period the limited partnership admits at least  
54 21 one limited partner.

54 22 5. The signing and filing of a declaration of dissolution  
54 23 by the secretary of state under section 488.809, subsection 3.  
54 24 Sec. 64. NEW SECTION. 488.802 JUDICIAL DISSOLUTION.

54 25 On application by or for a partner, the district court for  
54 26 the county in which the office described in section 488.114,  
54 27 subsection 1, paragraph "a", is located may order dissolution  
54 28 of a limited partnership if it is not reasonably practicable  
54 29 to carry on the activities of the limited partnership in  
54 30 conformity with the partnership agreement.

54 31 Sec. 65. NEW SECTION. 488.803 WINDING UP.

54 32 1. A limited partnership continues after dissolution only  
54 33 for the purpose of winding up its activities.

54 34 2. In winding up its activities, the limited partnership:  
54 35 a. May amend its certificate of limited partnership to  
55 1 state that the limited partnership is dissolved, preserve the  
55 2 limited partnership business or property as a going concern  
55 3 for a reasonable time, prosecute and defend actions and  
55 4 proceedings, whether civil, criminal, or administrative,  
55 5 transfer the limited partnership's property, settle disputes  
55 6 by mediation or arbitration, file a statement of termination  
55 7 as provided in section 488.203, and perform other necessary  
55 8 acts.

55 9 b. Shall discharge the limited partnership's liabilities,  
55 10 settle and close the limited partnership's activities, and  
55 11 marshal and distribute the assets of the partnership.

55 12 3. If a dissolved limited partnership does not have a  
55 13 general partner, a person to wind up the dissolved limited  
55 14 partnership's activities may be appointed by the consent of  
55 15 limited partners owning a majority of the rights to receive  
55 16 distributions as limited partners at the time the consent is  
55 17 to be effective. A person appointed under this subsection:  
55 18 a. Has the powers of a general partner under section  
55 19 488.804.

55 20 b. Shall promptly amend the certificate of limited  
55 21 partnership to state all of the following:

55 22 (1) That the limited partnership does not have a general  
55 23 partner.

55 24 (2) The name of the person that has been appointed to wind  
55 25 up the limited partnership.

55 26 (3) The street and mailing address of the person.

55 27 4. On the application of any partner, the district court  
55 28 in the county in which the office described in section  
55 29 488.144, subsection 1, paragraph "a", is located may order  
55 30 judicial supervision of the winding up, including the  
55 31 appointment of a person to wind up the dissolved limited  
55 32 partnership's activities, if any of the following applies:  
55 33 a. A limited partnership does not have a general partner  
55 34 and within a reasonable time following the dissolution no  
55 35 person has been appointed pursuant to subsection 3.

56 1 b. The applicant establishes other good cause.

56 2 Sec. 66. NEW SECTION. 488.804 POWER OF GENERAL PARTNER  
56 3 AND PERSON DISSOCIATED AS GENERAL PARTNER TO BIND PARTNERSHIP  
56 4 AFTER DISSOLUTION.

56 5 1. A limited partnership is bound by a general partner's  
56 6 act after dissolution in which any of the following applies:  
56 7 a. The act is appropriate for winding up the limited  
56 8 partnership's activities.

56 9 b. The act would have bound the limited partnership under  
56 10 section 488.402 before dissolution, if, at the time the other  
56 11 party enters into the transaction, the other party does not  
56 12 have notice of the dissolution.

56 13 2. A person dissociated as a general partner binds a



56 14 limited partnership through an act occurring after dissolution  
56 15 if both of the following apply:

56 16 a. At the time the other party enters into the  
56 17 transaction, all of the following apply:

56 18 (1) Less than two years have passed since the  
56 19 dissociation.

56 20 (2) The other party does not have notice of the  
56 21 dissociation and reasonably believes that the person is a  
56 22 general partner.

56 23 b. At least one of the following applies:

56 24 (1) The act is appropriate for winding up the limited  
56 25 partnership's activities.

56 26 (2) The act would have bound the limited partnership under  
56 27 section 488.402 before dissolution and at the time the other  
56 28 party enters into the transaction the other party does not  
56 29 have notice of the dissolution.

56 30 Sec. 67. NEW SECTION. 488.805 LIABILITY AFTER  
56 31 DISSOLUTION OF GENERAL PARTNER AND PERSON DISSOCIATED AS  
56 32 GENERAL PARTNER TO LIMITED PARTNERSHIP, OTHER GENERAL  
56 33 PARTNERS, AND PERSONS DISSOCIATED AS GENERAL PARTNER.

56 34 1. If a general partner having knowledge of the  
56 35 dissolution causes a limited partnership to incur an  
57 1 obligation under section 488.804, subsection 1, by an act that  
57 2 is not appropriate for winding up the partnership's  
57 3 activities, the general partner is liable for all of the  
57 4 following:

57 5 a. To the limited partnership for any damage caused to the  
57 6 limited partnership arising from the obligation.

57 7 b. If another general partner or a person dissociated as a  
57 8 general partner is liable for the obligation, to that other  
57 9 general partner or person for any damage caused to that other  
57 10 general partner or person arising from the liability.

57 11 2. If a person dissociated as a general partner causes a  
57 12 limited partnership to incur an obligation under section  
57 13 488.804, subsection 2, the person is liable for all of the  
57 14 following:

57 15 a. To the limited partnership for any damage caused to the  
57 16 limited partnership arising from the obligation.

57 17 b. If a general partner or another person dissociated as a  
57 18 general partner is liable for the obligation, to the general  
57 19 partner or other person for any damage caused to the general  
57 20 partner or other person arising from the liability.

57 21 Sec. 68. NEW SECTION. 488.806 KNOWN CLAIMS AGAINST  
57 22 DISSOLVED LIMITED PARTNERSHIP.

57 23 1. A dissolved limited partnership may dispose of the  
57 24 known claims against it by following the procedure described  
57 25 in subsection 2.

57 26 2. A dissolved limited partnership may notify its known  
57 27 claimants of the dissolution in a record. The notice must do  
57 28 all of the following:

57 29 a. Specify the information required to be included in a  
57 30 claim.

57 31 b. Provide a mailing address to which the claim is to be  
57 32 sent.

57 33 c. State the deadline for receipt of the claim, which may  
57 34 not be less than one hundred twenty days after the date the  
57 35 notice is received by the claimant.

58 1 d. State that the claim will be barred if not received by  
58 2 the deadline.

58 3 e. Unless the limited partnership has been throughout its  
58 4 existence a limited liability limited partnership or elected  
58 5 under prior law to become a limited liability limited  
58 6 partnership, state that the barring of a claim against the  
58 7 limited partnership will also bar any corresponding claim  
58 8 against any general partner or person dissociated as a general  
58 9 partner which is based on section 488.404.

58 10 3. A claim against a dissolved limited partnership is  
58 11 barred if the requirements of subsection 2 are met and at  
58 12 least one of the following applies:

58 13 a. The claim is not received by the specified deadline.

58 14 b. In the case of a claim that is timely received but  
58 15 rejected by the dissolved limited partnership, the claimant  
58 16 does not commence an action to enforce the claim against the  
58 17 limited partnership within ninety days after the receipt of  
58 18 the notice of the rejection.

58 19 4. This section does not apply to a claim based on an  
58 20 event occurring after the effective date of dissolution or a  
58 21 liability that is contingent on that date.

58 22 Sec. 69. NEW SECTION. 488.807 OTHER CLAIMS AGAINST  
58 23 DISSOLVED LIMITED PARTNERSHIP.

58 24 1. A dissolved limited partnership may publish notice of

58 25 its dissolution and request persons having claims against the  
58 26 limited partnership to present them in accordance with the  
58 27 notice.

58 28 2. The notice must do all of the following:

58 29 a. Be published at least once in a newspaper of general  
58 30 circulation in the county in which the dissolved limited  
58 31 partnership's principal office is located or, if it has none  
58 32 in this state, in the county in which the limited  
58 33 partnership's designated office is or was last located.

58 34 b. Describe the information required to be contained in a  
58 35 claim and provide a mailing address to which the claim is to  
59 1 be sent.

59 2 c. State that a claim against the limited partnership is  
59 3 barred unless an action to enforce the claim is commenced  
59 4 within five years after publication of the notice.

59 5 d. Unless the limited partnership has been throughout its  
59 6 existence a limited liability limited partnership or elected  
59 7 under prior law to become a limited liability limited  
59 8 partnership, state that the barring of a claim against the  
59 9 limited partnership will also bar any corresponding claim  
59 10 against any general partner or person dissociated as a general  
59 11 partner which is based on section 488.404.

59 12 3. If a dissolved limited partnership publishes a notice  
59 13 in accordance with subsection 2, the claim of each of the  
59 14 following claimants is barred unless the claimant commences an  
59 15 action to enforce the claim against the dissolved limited  
59 16 partnership within five years after the publication date of  
59 17 the notice:

59 18 a. A claimant that did not receive notice in a record  
59 19 under section 488.806.

59 20 b. A claimant whose claim was timely sent to the dissolved  
59 21 limited partnership but not acted on.

59 22 c. A claimant whose claim is contingent or based on an  
59 23 event occurring after the effective date of dissolution.

59 24 4. A claim not barred under this section may be enforced:

59 25 a. Against the dissolved limited partnership, to the  
59 26 extent of its undistributed assets.

59 27 b. If the assets have been distributed in liquidation,  
59 28 against a partner or transferee to the extent of that person's  
59 29 proportionate share of the claim or the limited partnership's  
59 30 assets distributed to the partner or transferee in  
59 31 liquidation, whichever is less, but a person's total liability  
59 32 for all claims under this paragraph does not exceed the total  
59 33 amount of assets distributed to the person as part of the  
59 34 winding up of the dissolved limited partnership.

59 35 c. Against any person liable on the claim under section  
60 1 488.404.

60 2 Sec. 70. NEW SECTION. 488.808 COURT PROCEEDINGS.

60 3 1. A dissolved limited partnership that has published a  
60 4 notice under section 488.807 may file an application with the  
60 5 district court of the county in which the office described in  
60 6 section 488.114 is located for a determination of the amount  
60 7 and form of security to be provided for the payment of claims  
60 8 that are contingent or have not been made known to the  
60 9 dissolved limited partnership or that are based on an event  
60 10 occurring after the effective date of dissolution but that  
60 11 based on the facts known to the dissolved limited partnership,  
60 12 are reasonably estimated to arise after the effective date of  
60 13 dissolution. Provision need not be made for any claim that is  
60 14 or is reasonably anticipated to be barred under section  
60 15 488.807.

60 16 2. Within ten days after the filing of the application,  
60 17 notice of the proceeding shall be given by the dissolved  
60 18 limited partnership to each claimant holding a contingent  
60 19 claim whose contingent claim is shown on the records of the  
60 20 dissolved limited partnership.

60 21 3. The court may appoint a guardian ad litem to represent  
60 22 all claimants whose identities are unknown in any proceeding  
60 23 brought under this section. The reasonable fees and expenses  
60 24 of such guardian, including all reasonable expert witness  
60 25 fees, shall be paid by the dissolved limited partnership.

60 26 4. Provision by the dissolved limited partnership for  
60 27 security in the amount and form ordered by the court under  
60 28 subsection 1 shall satisfy the dissolved limited partnership's  
60 29 obligations with respect to claims that are contingent, have  
60 30 not been made known to the dissolved limited partnership or  
60 31 are based on an event occurring after the effective date of  
60 32 dissolution, and such claims shall not be enforced against a  
60 33 partner who received assets in liquidation.

60 34 Sec. 71. NEW SECTION. 488.808A LIABILITY OF GENERAL  
60 35 PARTNER AND PERSON DISSOCIATED AS GENERAL PARTNER WHEN CLAIM

61 1 AGAINST LIMITED PARTNERSHIP BARRED.  
61 2 If a claim against a dissolved limited partnership is  
61 3 barred under section 488.806 or 488.807, any corresponding  
61 4 claim under section 488.404 is also barred.  
61 5 Sec. 72. NEW SECTION. 488.809 ADMINISTRATIVE  
61 6 DISSOLUTION.  
61 7 1. The secretary of state may dissolve a limited  
61 8 partnership administratively if the limited partnership does  
61 9 not, within sixty days after the due date, do any of the  
61 10 following:  
61 11 a. Pay any fee, tax, or penalty under this chapter or  
61 12 other law due to the secretary of state.  
61 13 b. Deliver its biennial report to the secretary of state.  
61 14 2. If the secretary of state determines that a ground  
61 15 exists for administratively dissolving a limited partnership,  
61 16 the secretary of state shall file a record of the  
61 17 determination and serve the limited partnership with a copy of  
61 18 the filed record.  
61 19 3. If within sixty days after service of the copy the  
61 20 limited partnership does not correct each ground for  
61 21 dissolution or demonstrate to the reasonable satisfaction of  
61 22 the secretary of state that each ground determined by the  
61 23 secretary of state does not exist, the secretary of state  
61 24 shall administratively dissolve the limited partnership by  
61 25 preparing, signing, and filing a declaration of dissolution  
61 26 that states the grounds for dissolution. The secretary of  
61 27 state shall serve the limited partnership with a copy of the  
61 28 filed declaration.  
61 29 4. A limited partnership administratively dissolved  
61 30 continues its existence but may carry on only activities  
61 31 necessary to wind up its activities and liquidate its assets  
61 32 under sections 488.803 and 488.812 and to notify claimants  
61 33 under sections 488.806 and 488.807.  
61 34 5. The administrative dissolution of a limited partnership  
61 35 does not terminate the authority of its agent for service of  
62 1 process.  
62 2 Sec. 73. NEW SECTION. 488.810 REINSTATEMENT FOLLOWING  
62 3 ADMINISTRATIVE DISSOLUTION.  
62 4 1. A limited partnership that has been administratively  
62 5 dissolved may apply to the secretary of state for  
62 6 reinstatement within two years after the effective date of  
62 7 dissolution. The application must be delivered to the  
62 8 secretary of state for filing and state all of the following:  
62 9 a. The name of the limited partnership and the effective  
62 10 date of its administrative dissolution.  
62 11 b. That the grounds for dissolution either did not exist  
62 12 or have been eliminated.  
62 13 c. That the limited partnership's name satisfies the  
62 14 requirements of section 488.108.  
62 15 2. If the secretary of state determines that an  
62 16 application contains the information required by subsection 2  
62 17 and that the information is correct, the secretary of state  
62 18 shall prepare a declaration of reinstatement that states this  
62 19 determination, sign, and file the original of the declaration  
62 20 of reinstatement, and serve the limited partnership with a  
62 21 copy.  
62 22 3. When reinstatement becomes effective, it relates back  
62 23 to and takes effect as of the effective date of the  
62 24 administrative dissolution and the limited partnership may  
62 25 resume its activities as if the administrative dissolution had  
62 26 never occurred.  
62 27 Sec. 74. NEW SECTION. 488.811 APPEAL FROM DENIAL OF  
62 28 REINSTATEMENT.  
62 29 1. If the secretary of state denies a limited  
62 30 partnership's application for reinstatement following  
62 31 administrative dissolution, the secretary of state shall  
62 32 prepare, sign, and file a notice that explains the reason or  
62 33 reasons for denial and serve the limited partnership with a  
62 34 copy of the notice.  
62 35 2. Within thirty days after service of the notice of  
63 1 denial, the limited partnership may appeal from the denial of  
63 2 reinstatement by petitioning the district court to set aside  
63 3 the dissolution. The petition must be served on the secretary  
63 4 of state and contain a copy of the secretary of state's  
63 5 declaration of dissolution, the limited partnership's  
63 6 application for reinstatement, and the secretary of state's  
63 7 notice of denial.  
63 8 3. The court may summarily order the secretary of state to  
63 9 reinstate the dissolved limited partnership or may take other  
63 10 action the court considers appropriate.  
63 11 Sec. 75. NEW SECTION. 488.812 DISPOSITION OF ASSETS ==

63 12 WHEN CONTRIBUTIONS REQUIRED.

63 13 1. In winding up a limited partnership's activities, the  
63 14 assets of the limited partnership, including the contributions  
63 15 required by this section, must be applied to satisfy the  
63 16 limited partnership's obligations to creditors, including, to  
63 17 the extent permitted by law, partners that are creditors.

63 18 2. Any surplus remaining after the limited partnership  
63 19 complies with subsection 1 must be paid in cash as a  
63 20 distribution.

63 21 3. If a limited partnership's assets are insufficient to  
63 22 satisfy all of its obligations under subsection 1, with  
63 23 respect to each unsatisfied obligation incurred when the  
63 24 limited partnership was not a limited liability limited  
63 25 partnership, the following rules apply:

63 26 a. Each person that was a general partner when the  
63 27 obligation was incurred and that has not been released from  
63 28 the obligation under section 488.607 shall contribute to the  
63 29 limited partnership for the purpose of enabling the limited  
63 30 partnership to satisfy the obligation. The contribution due  
63 31 from each of those persons is in proportion to the right to  
63 32 receive distributions in the capacity of general partner in  
63 33 effect for each of those persons when the obligation was  
63 34 incurred.

63 35 b. If a person does not contribute the full amount  
64 1 required under paragraph "a" with respect to an unsatisfied  
64 2 obligation of the limited partnership, the other persons  
64 3 required to contribute by paragraph "a" on account of the  
64 4 obligation shall contribute the additional amount necessary to  
64 5 discharge the obligation. The additional contribution due  
64 6 from each of those other persons is in proportion to the right  
64 7 to receive distributions in the capacity of general partner in  
64 8 effect for each of those other persons when the obligation was  
64 9 incurred.

64 10 c. If a person does not make the additional contribution  
64 11 required by paragraph "b", further additional contributions  
64 12 are determined and due in the same manner as provided in that  
64 13 paragraph.

64 14 4. A person that makes an additional contribution under  
64 15 subsection 3, paragraph "b" or "c", may recover from any  
64 16 person whose failure to contribute under subsection 3,  
64 17 paragraph "b" or "c", necessitated the additional  
64 18 contribution. A person shall not recover under this  
64 19 subsection more than the amount additionally contributed. A  
64 20 person's liability under this subsection shall not exceed the  
64 21 amount the person failed to contribute.

64 22 5. The estate of a deceased individual is liable for the  
64 23 person's obligations under this section.

64 24 6. An assignee for the benefit of creditors of a limited  
64 25 partnership or a partner, or a person appointed by a court to  
64 26 represent creditors of a limited partnership or a partner, may  
64 27 enforce a person's obligation to contribute under subsection  
64 28 3.

#### 64 29 ARTICLE IX

#### 64 30 FOREIGN LIMITED PARTNERSHIPS

64 31 Sec. 76. NEW SECTION. 488.901 GOVERNING LAW.

64 32 1. The laws of the state or other jurisdiction under which  
64 33 a foreign limited partnership is organized govern relations  
64 34 among the partners of the foreign limited partnership and  
64 35 between the partners and the foreign limited partnership and  
65 1 the liability of partners as partners for an obligation of the  
65 2 foreign limited partnership.

65 3 2. A foreign limited partnership shall not be denied a  
65 4 certificate of authority by reason of any difference between  
65 5 the laws of the jurisdiction under which the foreign limited  
65 6 partnership is organized and the laws of this state.

65 7 3. A certificate of authority does not authorize a foreign  
65 8 limited partnership to engage in any business or exercise any  
65 9 power that a limited partnership shall not engage in or  
65 10 exercise in this state.

65 11 Sec. 77. NEW SECTION. 488.902 APPLICATION FOR  
65 12 CERTIFICATE OF AUTHORITY.

65 13 1. A foreign limited partnership may apply for a  
65 14 certificate of authority to transact business in this state by  
65 15 delivering an application to the secretary of state for  
65 16 filing. The application must state all of the following:

65 17 a. The name of the foreign limited partnership and, if the  
65 18 name does not comply with section 488.108, an alternate name  
65 19 adopted pursuant to section 488.905, subsection 1.

65 20 b. The name of the state or other jurisdiction under whose  
65 21 law the foreign limited partnership is organized.

65 22 c. The street and mailing address of the foreign limited

65 23 partnership's principal office and, if the laws of the  
65 24 jurisdiction under which the foreign limited partnership is  
65 25 organized require the foreign limited partnership to maintain  
65 26 an office in that jurisdiction, the street and mailing address  
65 27 of the required office.  
65 28 d. The name and street and mailing address of the foreign  
65 29 limited partnership's initial agent for service of process in  
65 30 this state.  
65 31 e. The name and street and mailing address of each of the  
65 32 foreign limited partnership's general partners.  
65 33 f. Whether the foreign limited partnership is a foreign  
65 34 limited liability limited partnership.  
65 35 2. A foreign limited partnership shall deliver with the  
66 1 completed application a certificate of existence or a record  
66 2 of similar import signed by the secretary of state or other  
66 3 official having custody of the foreign limited partnership's  
66 4 publicly filed records in the state or other jurisdiction  
66 5 under whose law the foreign limited partnership is organized.  
66 6 Sec. 78. NEW SECTION. 488.903 ACTIVITIES NOT  
66 7 CONSTITUTING TRANSACTING BUSINESS.  
66 8 1. Activities of a foreign limited partnership which do  
66 9 not constitute transacting business in this state within the  
66 10 meaning of this article include all of the following:  
66 11 a. Maintaining, defending, and settling an action or  
66 12 proceeding.  
66 13 b. Holding meetings of its partners or carrying on any  
66 14 other activity concerning its internal affairs.  
66 15 c. Maintaining accounts in financial institutions.  
66 16 d. Maintaining offices or agencies for the transfer,  
66 17 exchange, and registration of the foreign limited  
66 18 partnership's own securities or maintaining trustees or  
66 19 depositories with respect to those securities.  
66 20 e. Selling through independent contractors.  
66 21 f. Soliciting or obtaining orders, whether by mail or  
66 22 electronic means or through employees or agents or otherwise,  
66 23 if the orders require acceptance outside this state before  
66 24 they become contracts.  
66 25 g. Creating or acquiring indebtedness, mortgages, or  
66 26 security interests in real or personal property.  
66 27 h. Securing or collecting debts or enforcing mortgages or  
66 28 other security interests in property securing the debts, and  
66 29 holding, protecting, and maintaining property so acquired.  
66 30 i. Owning, without more, real or personal property.  
66 31 j. Conducting an isolated transaction that is completed  
66 32 within thirty days and is not one in the course of similar  
66 33 transactions of a like manner.  
66 34 k. Transacting business in interstate commerce.  
66 35 2. For purposes of this article, the ownership in this  
67 1 state of income-producing real or tangible personal property,  
67 2 other than property excluded under subsection 1, constitutes  
67 3 transacting business in this state.  
67 4 3. This section does not apply in determining the contacts  
67 5 or activities that may subject a foreign limited partnership  
67 6 to service of process, taxation, or regulation under any other  
67 7 law of this state.  
67 8 Sec. 79. NEW SECTION. 488.904 FILING OF CERTIFICATE OF  
67 9 AUTHORITY.  
67 10 Unless the secretary of state determines that an  
67 11 application for a certificate of authority does not comply  
67 12 with the filing requirements of this chapter, the secretary of  
67 13 state, upon receiving payment of all filing fees, shall file  
67 14 the application, notify the applicant that the application has  
67 15 been approved, and provide a receipt for the payment of fees.  
67 16 Such notification shall serve as certificate of authority to  
67 17 transact business in this state.  
67 18 Sec. 80. NEW SECTION. 488.905 NONCOMPLYING NAME OF  
67 19 FOREIGN LIMITED PARTNERSHIP.  
67 20 1. A foreign limited partnership whose name does not  
67 21 comply with section 488.108 shall not obtain a certificate of  
67 22 authority until it adopts, for the purpose of transacting  
67 23 business in this state, an alternate name that complies with  
67 24 section 488.108. A foreign limited partnership that adopts an  
67 25 alternate name under this subsection and then obtains a  
67 26 certificate of authority with the name need not also comply  
67 27 with chapter 547. After obtaining a certificate of authority  
67 28 with an alternate name, a foreign limited partnership shall  
67 29 transact business in this state under the name unless the  
67 30 foreign limited partnership is authorized under chapter 547 to  
67 31 transact business in this state under another name.  
67 32 2. If a foreign limited partnership authorized to transact  
67 33 business in this state changes its name to one that does not

67 34 comply with section 488.108, it shall not thereafter transact  
67 35 business in this state until it complies with subsection 1 and  
68 1 obtains an amended certificate of authority.

68 2 Sec. 81. NEW SECTION. 488.906 REVOCATION OF CERTIFICATE  
68 3 OF AUTHORITY.

68 4 1. A certificate of authority of a foreign limited  
68 5 partnership to transact business in this state may be revoked  
68 6 by the secretary of state in the manner provided in  
68 7 subsections 2 and 3 if the foreign limited partnership does  
68 8 not do any of the following:

68 9 a. Pay, within sixty days after the due date, any fee, tax  
68 10 or penalty under this chapter or other law due to the  
68 11 secretary of state.

68 12 b. Deliver, within sixty days after the due date, its  
68 13 biennial report required under section 488.210.

68 14 c. Appoint and maintain an agent for service of process as  
68 15 required by section 488.114, subsection 2.

68 16 d. Deliver for filing a statement of a change under  
68 17 section 488.115 within thirty days after a change has occurred  
68 18 in the name or address of the agent.

68 19 2. In order to revoke a certificate of authority, the  
68 20 secretary of state must prepare, sign, and file a notice of  
68 21 revocation and send a copy to the foreign limited  
68 22 partnership's agent for service of process in this state, or  
68 23 if the foreign limited partnership does not appoint and  
68 24 maintain a proper agent in this state, to the foreign limited  
68 25 partnership's designated office. The notice must state all of  
68 26 the following:

68 27 a. The revocation's effective date, which must be at least  
68 28 sixty days after the date the secretary of state sends the  
68 29 copy.

68 30 b. The foreign limited partnership's failures to comply  
68 31 with subsection 1 which are the reason for the revocation.

68 32 3. The authority of the foreign limited partnership to  
68 33 transact business in this state ceases on the effective date  
68 34 of the notice of revocation unless before that date the  
68 35 foreign limited partnership cures each failure to comply with  
69 1 subsection 1 stated in the notice. If the foreign limited  
69 2 partnership cures the failures, the secretary of state shall  
69 3 so indicate on the filed notice.

69 4 Sec. 82. NEW SECTION. 488.907 CANCELLATION OF  
69 5 CERTIFICATE OF AUTHORITY == EFFECT OF FAILURE TO HAVE  
69 6 CERTIFICATE.

69 7 1. In order to cancel its certificate of authority to  
69 8 transact business in this state, a foreign limited partnership  
69 9 must deliver to the secretary of state for filing a notice of  
69 10 cancellation. The certificate is canceled when the notice  
69 11 becomes effective under section 488.206.

69 12 2. A foreign limited partnership transacting business in  
69 13 this state shall not maintain an action or proceeding in this  
69 14 state unless it has a certificate of authority to transact  
69 15 business in this state.

69 16 3. The failure of a foreign limited partnership to have a  
69 17 certificate of authority to transact business in this state  
69 18 does not impair the validity of a contract or act of the  
69 19 foreign limited partnership or prevent the foreign limited  
69 20 partnership from defending an action or proceeding in this  
69 21 state.

69 22 4. A partner of a foreign limited partnership is not  
69 23 liable for the obligations of the foreign limited partnership  
69 24 solely by reason of the foreign limited partnership's having  
69 25 transacted business in this state without a certificate of  
69 26 authority.

69 27 5. If a foreign limited partnership transacts business in  
69 28 this state without a certificate of authority or cancels its  
69 29 certificate of authority, it appoints the secretary of state  
69 30 as its agent for service of process for rights of action  
69 31 arising out of the transaction of business in this state.

69 32 Sec. 83. NEW SECTION. 488.908 ACTION BY ATTORNEY  
69 33 GENERAL.

69 34 The attorney general may maintain an action to restrain a  
69 35 foreign limited partnership from transacting business in this  
70 1 state in violation of this article.

70 2 ARTICLE X

70 3 ACTIONS BY PARTNERS

70 4 Sec. 84. NEW SECTION. 488.1001 DIRECT ACTION BY PARTNER.

70 5 1. Subject to subsection 2, a partner may maintain a  
70 6 direct action against the limited partnership or another  
70 7 partner for legal or equitable relief, with or without an  
70 8 accounting as to the partnership's activities, to enforce the  
70 9 rights and otherwise protect the interests of the partner,

70 10 including rights and interests under the partnership agreement  
70 11 or this chapter or arising independently of the partnership  
70 12 relationship.

70 13 2. A partner commencing a direct action under this section  
70 14 is required to plead and prove an actual or threatened injury  
70 15 that is not solely the result of an injury suffered or  
70 16 threatened to be suffered by the limited partnership.

70 17 3. The accrual of, and any time limitation on, a right of  
70 18 action for a remedy under this section is governed by other  
70 19 law. A right to an accounting upon a dissolution and winding  
70 20 up does not revive a claim barred by law.

70 21 Sec. 85. NEW SECTION. 488.1002 DERIVATIVE ACTION.

70 22 A partner may maintain a derivative action to enforce a  
70 23 right of a limited partnership, but a partner shall not  
70 24 commence such a proceeding until both of the following have  
70 25 occurred:

70 26 1. A written demand has been made upon the general partner  
70 27 or partners, requesting that they cause the limited  
70 28 partnership to take suitable action.

70 29 2. Ninety days have expired from the date the demand was  
70 30 made, unless the partner has earlier been notified that the  
70 31 demand has been rejected by the general partner or partners or  
70 32 unless irreparable injury to the limited partnership would  
70 33 result by waiting for the expiration of the ninety-day period.

70 34 Sec. 86. NEW SECTION. 488.1003 PROPER PLAINTIFF.

70 35 A derivative action may be maintained only by a person that  
71 1 is a partner at the time the action is commenced and where one  
71 2 of the following also applies:

71 3 1. The person that was a partner when the conduct giving  
71 4 rise to the action occurred.

71 5 2. The person whose status as a partner devolved upon the  
71 6 person by operation of law or pursuant to the terms of the  
71 7 partnership agreement from a person that was a partner at the  
71 8 time of the conduct.

71 9 Sec. 87. NEW SECTION. 488.1004 PLEADING.

71 10 In a derivative action, the petition must state with  
71 11 particularity the date and content of plaintiff's demand and  
71 12 either the general partners' response to the demand or how the  
71 13 limited partnership would be irreparably harmed by waiting for  
71 14 such a response for ninety days.

71 15 Sec. 88. NEW SECTION. 488.1005 PROCEEDS AND EXPENSES.

71 16 1. Except as otherwise provided in subsection 2:

71 17 a. Any proceeds or other benefits of a derivative action,  
71 18 whether by judgment, compromise, or settlement, belong to the  
71 19 limited partnership and not to the derivative plaintiff.

71 20 b. If the derivative plaintiff receives any proceeds, the  
71 21 derivative plaintiff shall immediately remit them to the  
71 22 limited partnership.

71 23 2. If a derivative action is successful in whole or in  
71 24 part, the court may award the plaintiff reasonable expenses,  
71 25 including reasonable attorney fees, from the recovery of the  
71 26 limited partnership.

71 27 3. If the court finds that the derivative proceeding was  
71 28 commenced or maintained without reasonable cause or for an  
71 29 improper purpose, it may order the plaintiff to pay any  
71 30 defendant's reasonable expenses, including reasonable attorney  
71 31 fees, incurred in defending the action.

71 32 ARTICLE XI

71 33 CONVERSION AND MERGER

71 34 Sec. 89. NEW SECTION. 488.1101 DEFINITIONS.

71 35 For purposes of this article, unless the context otherwise  
72 1 requires:

72 2 1. "Constituent limited partnership" means a constituent  
72 3 organization that is a limited partnership.

72 4 2. "Constituent organization" means an organization that  
72 5 is party to a merger.

72 6 3. "Converted organization" means the organization into  
72 7 which a converting organization converts pursuant to sections  
72 8 488.1102 through 488.1105.

72 9 4. "Converting limited partnership" means a converting  
72 10 organization that is a limited partnership.

72 11 5. "Converting organization" means an organization that  
72 12 converts into another organization pursuant to section  
72 13 488.1102.

72 14 6. "General partner" means a general partner of a limited  
72 15 partnership.

72 16 7. "Governing statute" of an organization means the  
72 17 statute that governs the organization's internal affairs.

72 18 8. "Organization" means a general partnership, including a  
72 19 limited liability partnership; limited partnership, including  
72 20 a limited liability limited partnership; limited liability

72 21 company; business trust; corporation; or any other person  
72 22 having a governing statute. The term includes domestic and  
72 23 foreign organizations whether or not organized for profit.  
72 24 9. "Organizational documents" means all of the following:  
72 25 a. For a domestic or foreign general partnership, its  
72 26 partnership agreement.  
72 27 b. For a limited partnership or foreign limited  
72 28 partnership, its certificate of limited partnership and  
72 29 partnership agreement.  
72 30 c. For a domestic or foreign limited liability company,  
72 31 its articles of organization and operating agreement, or  
72 32 comparable records as provided in its governing statute.  
72 33 d. For a business trust, its agreement of trust and  
72 34 declaration of trust.  
72 35 e. For a domestic or foreign corporation for profit, its  
73 1 articles of incorporation, bylaws, and other agreements among  
73 2 its shareholders which are authorized by its governing  
73 3 statute, or comparable records as provided in its governing  
73 4 statute.  
73 5 f. For any other organization, the basic records that  
73 6 create the organization and determine its internal governance  
73 7 and the relations among the persons that own it, have an  
73 8 interest in it, or are members of it.  
73 9 10. "Personal liability" means personal liability for a  
73 10 debt, liability, or other obligation of an organization which  
73 11 is imposed on a person that co-owns, has an interest in, or is  
73 12 a member of the organization according to either of the  
73 13 following:  
73 14 a. By the organization's governing statute solely by  
73 15 reason of the person co-owning, having an interest in, or  
73 16 being a member of the organization.  
73 17 b. By the organization's organizational documents under a  
73 18 provision of the organization's governing statute authorizing  
73 19 those documents to make one or more specified persons liable  
73 20 for all or specified debts, liabilities, and other obligations  
73 21 of the organization solely by reason of the person or persons  
73 22 co-owning, having an interest in, or being a member of the  
73 23 organization.  
73 24 11. "Surviving organization" means an organization into  
73 25 which one or more other organizations are merged. A surviving  
73 26 organization may preexist the merger or be created by the  
73 27 merger.  
73 28 Sec. 90. NEW SECTION. 488.1102 CONVERSION.  
73 29 1. An organization other than a limited partnership may  
73 30 convert to a limited partnership, and a limited partnership  
73 31 may convert to another organization pursuant to this section  
73 32 and sections 488.1103 through 488.1105 and a plan of  
73 33 conversion, if all of the following apply:  
73 34 a. The other organization's governing statute authorizes  
73 35 the conversion.  
74 1 b. The conversion is not prohibited by the law of the  
74 2 jurisdiction that enacted the governing statute.  
74 3 c. The other organization complies with its governing  
74 4 statute in effecting the conversion.  
74 5 2. A plan of conversion must be in a record and must  
74 6 include all of the following:  
74 7 a. The name and form of the organization before  
74 8 conversion.  
74 9 b. The name and form of the organization after conversion.  
74 10 c. The terms and conditions of the conversion, including  
74 11 the manner and basis for converting interests in the  
74 12 converting organization into any combination of money,  
74 13 interests in the converted organization, and other  
74 14 consideration.  
74 15 d. The organizational documents of the converted  
74 16 organization.  
74 17 Sec. 91. NEW SECTION. 488.1103 ACTION ON PLAN OF  
74 18 CONVERSION BY CONVERTING LIMITED PARTNERSHIP.  
74 19 1. Subject to section 488.1110, a plan of conversion must  
74 20 be consented to by all the partners of a converting limited  
74 21 partnership.  
74 22 2. Subject to section 488.1110 and any contractual rights,  
74 23 after a conversion is approved, and at any time before a  
74 24 filing is made under section 488.1104, a converting limited  
74 25 partnership may amend the plan or abandon the planned  
74 26 conversion according to any or all of the following:  
74 27 a. As provided in the plan.  
74 28 b. Except as prohibited by the plan, by the same consent  
74 29 as was required to approve the plan.  
74 30 Sec. 92. NEW SECTION. 488.1104 FILINGS REQUIRED FOR  
74 31 CONVERSION == EFFECTIVE DATE.



74 32 1. After a plan of conversion is approved:  
74 33 a. A converting limited partnership shall deliver to the  
74 34 secretary of state for filing articles of conversion, which  
74 35 must include all of the following:  
75 1 (1) A statement that the limited partnership has been  
75 2 converted into another organization.  
75 3 (2) The name and form of the organization and the  
75 4 jurisdiction of its governing statute.  
75 5 (3) The date the conversion is effective under the  
75 6 governing statute of the converted organization.  
75 7 (4) A statement that the conversion was approved as  
75 8 required by this chapter.  
75 9 (5) A statement that the conversion was approved as  
75 10 required by the governing statute of the converted  
75 11 organization.  
75 12 (6) If the converted organization is a foreign  
75 13 organization not authorized to transact business in this  
75 14 state, the street and mailing address of an office which the  
75 15 secretary of state may use for the purposes of section  
75 16 488.1105, subsection 3.  
75 17 b. If the converting organization is not a converting  
75 18 limited partnership, the converting organization shall deliver  
75 19 to the secretary of state for filing a certificate of limited  
75 20 partnership, which must include, in addition to the  
75 21 information required by section 488.201, all of the following:  
75 22 (1) A statement that the limited partnership was converted  
75 23 from another organization.  
75 24 (2) The name and form of the organization and the  
75 25 jurisdiction of its governing statute.  
75 26 (3) A statement that the conversion was approved in a  
75 27 manner that complied with the organization's governing  
75 28 statute.  
75 29 2. A conversion becomes effective according to the  
75 30 following:  
75 31 a. If the converted organization is a limited partnership,  
75 32 when the certificate of limited partnership takes effect.  
75 33 b. If the converted organization is not a limited  
75 34 partnership, as provided by the governing statute of the  
75 35 converted organization.  
76 1 Sec. 93. NEW SECTION. 488.1105 EFFECT OF CONVERSION.  
76 2 1. An organization that has been converted pursuant to  
76 3 this article is for all purposes the same entity that existed  
76 4 before the conversion.  
76 5 2. When a conversion takes effect, all of the following  
76 6 apply:  
76 7 a. All property owned by the converting organization  
76 8 remains vested in the converted organization.  
76 9 b. All debts, liabilities, and other obligations of the  
76 10 converting organization continue as obligations of the  
76 11 converted organization.  
76 12 c. An action or proceeding pending by or against the  
76 13 converting organization may be continued as if the conversion  
76 14 had not occurred.  
76 15 d. Except as prohibited by other law, all of the rights,  
76 16 privileges, immunities, powers, and purposes of the converting  
76 17 organization remain vested in the converted organization.  
76 18 e. Except as otherwise provided in the plan of conversion,  
76 19 the terms and conditions of the plan of conversion take  
76 20 effect.  
76 21 f. Except as otherwise agreed, the conversion does not  
76 22 dissolve a converting limited partnership for the purposes of  
76 23 article VIII.  
76 24 3. A converted organization that is a foreign organization  
76 25 consents to the jurisdiction of the courts of this state to  
76 26 enforce any obligation owed by the converting limited  
76 27 partnership, if before the conversion the converting limited  
76 28 partnership was subject to suit in this state on the  
76 29 obligation. A converted organization that is a foreign  
76 30 organization and not authorized to transact business in this  
76 31 state appoints the secretary of state as its agent for service  
76 32 of process for purposes of enforcing an obligation under this  
76 33 subsection. Service on the secretary of state under this  
76 34 subsection is made in the same manner and with the same  
76 35 consequences as in section 488.117, subsections 3 and 4.  
77 1 Sec. 94. NEW SECTION. 488.1106 MERGERS.  
77 2 1. A limited partnership may merge with one or more other  
77 3 constituent organizations pursuant to this section and  
77 4 sections 488.1107 through 488.1109 and a plan of merger, if  
77 5 all of the following apply:  
77 6 a. The governing statute of each the other organizations  
77 7 authorizes the merger.

77 8 b. The merger is not prohibited by the law of a  
77 9 jurisdiction that enacted any of those governing statutes.  
77 10 c. Each of the other organizations complies with its  
77 11 governing statute in effecting the merger.  
77 12 2. A plan of merger must be in a record and must include  
77 13 all of the following:  
77 14 a. The name and form of each constituent organization.  
77 15 b. The name and form of the surviving organization and, if  
77 16 the surviving organization is to be created by the merger, a  
77 17 statement to that effect.  
77 18 c. The terms and conditions of the merger, including the  
77 19 manner and basis for converting the interests in each  
77 20 constituent organization into any combination of money,  
77 21 interests in the surviving organization, and other  
77 22 consideration.  
77 23 d. If the surviving organization is to be created by the  
77 24 merger, the surviving organization's organizational documents.  
77 25 e. If the surviving organization is not to be created by  
77 26 the merger, any amendments to be made by the merger to the  
77 27 surviving organization's organizational documents.

77 28 Sec. 95. NEW SECTION. 488.1107 ACTION ON PLAN OF MERGER  
77 29 BY CONSTITUENT LIMITED PARTNERSHIP.

77 30 1. Subject to section 488.1110, a plan of merger must be  
77 31 consented to by all the partners of a constituent limited  
77 32 partnership.

77 33 2. Subject to section 488.1110 and any contractual rights,  
77 34 after a merger is approved, and at any time before a filing is  
77 35 made under section 488.1108, a constituent limited partnership  
78 1 may amend the plan or abandon the planned merger according to  
78 2 any or all the following:

78 3 a. As provided in the plan.

78 4 b. Except as prohibited by the plan, with the same consent  
78 5 as was required to approve the plan.

78 6 Sec. 96. NEW SECTION. 488.1108 FILINGS REQUIRED FOR  
78 7 MERGER == EFFECTIVE DATE.

78 8 1. After each constituent organization has approved a  
78 9 merger, articles of merger must be signed on behalf of all of  
78 10 the following:

78 11 a. Each preexisting constituent limited partnership, by  
78 12 each general partner listed in the certificate of limited  
78 13 partnership.

78 14 b. Each other preexisting constituent organization, by an  
78 15 authorized representative.

78 16 2. The articles of merger must include all of the  
78 17 following:

78 18 a. The name and form of each constituent organization and  
78 19 the jurisdiction of its governing statute.

78 20 b. The name and form of the surviving organization, the  
78 21 jurisdiction of its governing statute, and, if the surviving  
78 22 organization is created by the merger, a statement to that  
78 23 effect.

78 24 c. The date the merger is effective under the governing  
78 25 statute of the surviving organization.

78 26 d. If the surviving organization is to be created by the  
78 27 merger, one of the following:

78 28 (1) If it will be a limited partnership, the limited  
78 29 partnership's certificate of limited partnership.

78 30 (2) If it will be an organization other than a limited  
78 31 partnership, the organizational document that creates the  
78 32 organization.

78 33 e. If the surviving organization preexists the merger, any  
78 34 amendments provided for in the plan of merger for the  
78 35 organizational document that created the organization.

79 1 f. A statement as to each constituent organization that  
79 2 the merger was approved as required by the organization's  
79 3 governing statute.

79 4 g. If the surviving organization is a foreign organization  
79 5 not authorized to transact business in this state, the street  
79 6 and mailing address of an office which the secretary of state  
79 7 may use for the purposes of section 488.1109, subsection 2.

79 8 h. Any additional information required by the governing  
79 9 statute of any constituent organization.

79 10 3. Each constituent limited partnership shall deliver the  
79 11 articles of merger for filing in the office of the secretary  
79 12 of state.

79 13 4. A merger becomes effective under this article according  
79 14 to one of the following:

79 15 a. If the surviving organization is a limited partnership,  
79 16 upon the later of the following:

79 17 (1) Compliance with subsection 3.

79 18 (2) Subject to section 488.206, subsection 3, as specified

79 19 in the articles of merger.  
79 20 b. If the surviving organization is not a limited  
79 21 partnership, as provided by the governing statute of the  
79 22 surviving organization.  
79 23 Sec. 97. NEW SECTION. 488.1109 EFFECT OF MERGER.  
79 24 1. When a merger becomes effective, all of the following  
79 25 apply:  
79 26 a. The surviving organization continues or comes into  
79 27 existence.  
79 28 b. Each constituent organization that merges into the  
79 29 surviving organization ceases to exist as a separate entity.  
79 30 c. All property owned by each constituent organization  
79 31 that ceases to exist vests in the surviving organization.  
79 32 d. All debts, liabilities, and other obligations of each  
79 33 constituent organization that ceases to exist continue as  
79 34 obligations of the surviving organization.  
79 35 e. An action or proceeding pending by or against any  
80 1 constituent organization that ceases to exist may be continued  
80 2 as if the merger had not occurred.  
80 3 f. Except as prohibited by other law, all of the rights,  
80 4 privileges, immunities, powers, and purposes of each  
80 5 constituent organization that ceases to exist vest in the  
80 6 surviving organization.  
80 7 g. Except as otherwise provided in the plan of merger, the  
80 8 terms and conditions of the plan of merger take effect.  
80 9 h. Except as otherwise agreed, if a constituent limited  
80 10 partnership ceases to exist, the merger does not dissolve the  
80 11 limited partnership for the purposes of article VIII.  
80 12 i. If the surviving organization is created by the merger,  
80 13 one of the following applies:  
80 14 (1) If it is a limited partnership, the certificate of  
80 15 limited partnership becomes effective.  
80 16 (2) If it is an organization other than a limited  
80 17 partnership, the organizational document that creates the  
80 18 organization becomes effective.  
80 19 j. If the surviving organization preexists the merger, any  
80 20 amendments provided for in the articles of merger for the  
80 21 organizational document that created the organization become  
80 22 effective.  
80 23 2. A surviving organization that is a foreign organization  
80 24 consents to the jurisdiction of the courts of this state to  
80 25 enforce any obligation owed by a constituent organization, if  
80 26 before the merger the constituent organization was subject to  
80 27 suit in this state on the obligation. A surviving  
80 28 organization that is a foreign organization and not authorized  
80 29 to transact business in this state appoints the secretary of  
80 30 state as its agent for service of process for the purposes of  
80 31 enforcing an obligation under this subsection. Service on the  
80 32 secretary of state under this subsection is made in the same  
80 33 manner and with the same consequences as in section 488.117,  
80 34 subsections 3 and 4.  
80 35 Sec. 98. NEW SECTION. 488.1110 RESTRICTIONS ON APPROVAL  
81 1 OF CONVERSIONS AND MERGERS AND ON RELINQUISHING LIMITED  
81 2 LIABILITY LIMITED PARTNERSHIP STATUS.  
81 3 1. If a partner of a converting or constituent limited  
81 4 partnership will have personal liability with respect to a  
81 5 converted or surviving organization, approval and amendment of  
81 6 a plan of conversion or merger are ineffective without the  
81 7 consent of the partner, unless all of the following apply:  
81 8 a. The limited partnership's partnership agreement  
81 9 provides for the approval of the conversion or merger with the  
81 10 consent of fewer than all the partners.  
81 11 b. The partner has consented to the provision of the  
81 12 partnership agreement.  
81 13 2. An amendment to a certificate of limited partnership  
81 14 which deletes a statement that the limited partnership is a  
81 15 limited liability limited partnership is ineffective without  
81 16 the consent of each general partner, unless all of the  
81 17 following apply:  
81 18 a. The limited partnership's partnership agreement  
81 19 provides for the amendment with the consent of less than all  
81 20 the general partners.  
81 21 b. Each general partner that does not consent to the  
81 22 amendment has consented to the provision of the partnership  
81 23 agreement.  
81 24 3. A partner does not give the consent required by  
81 25 subsection 1 or 2 merely by consenting to a provision of the  
81 26 partnership agreement which permits the partnership agreement  
81 27 to be amended with the consent of fewer than all the partners.  
81 28 Sec. 99. NEW SECTION. 488.1111 LIABILITY OF GENERAL  
81 29 PARTNER AFTER CONVERSION OR MERGER.

81 30 1. A conversion or merger under this article does not  
81 31 discharge any liability under sections 488.404 and 488.607 of  
81 32 a person that was a general partner in or dissociated as a  
81 33 general partner from a converting or constituent limited  
81 34 partnership, but all of the following apply:  
81 35 a. The provisions of this chapter pertaining to the  
82 1 collection or discharge of the liability continue to apply to  
82 2 the liability.  
82 3 b. For the purposes of applying those provisions, the  
82 4 converted or surviving organization is deemed to be the  
82 5 converting or constituent limited partnership.  
82 6 c. If a person is required to pay any amount under this  
82 7 subsection, all of the following apply:  
82 8 (1) The person has a right of contribution from each other  
82 9 person that was liable as a general partner under section  
82 10 488.404 when the obligation was incurred and has not been  
82 11 released from the obligation under section 488.607.  
82 12 (2) The contribution due from each of those persons is in  
82 13 proportion to the right to receive distributions in the  
82 14 capacity of general partner in effect for each of those  
82 15 persons when the obligation was incurred.  
82 16 2. In addition to any other liability provided by law,  
82 17 both of the following apply:  
82 18 a. A person that immediately before a conversion or merger  
82 19 became effective was a general partner in a converting or  
82 20 constituent limited partnership that was not a limited  
82 21 liability limited partnership is personally liable for each  
82 22 obligation of the converted or surviving organization arising  
82 23 from a transaction with a third party after the conversion or  
82 24 merger becomes effective, if, at the time the third party  
82 25 enters into the transaction, all of the following apply to the  
82 26 third party:  
82 27 (1) The third party does not have notice of the conversion  
82 28 or merger.  
82 29 (2) The third party reasonably believes all of the  
82 30 following:  
82 31 (a) The converted or surviving business is the converting  
82 32 or constituent limited partnership.  
82 33 (b) The converting or constituent limited partnership is  
82 34 not a limited liability limited partnership.  
82 35 (c) The person is a general partner in the converting or  
83 1 constituent limited partnership.  
83 2 b. A person that was dissociated as a general partner from  
83 3 a converting or constituent limited partnership before the  
83 4 conversion or merger became effective is personally liable for  
83 5 each obligation of the converted or surviving organization  
83 6 arising from a transaction with a third party after the  
83 7 conversion or merger becomes effective, if all of the  
83 8 following apply:  
83 9 (1) Immediately before the conversion or merger became  
83 10 effective the converting or surviving limited partnership was  
83 11 not a limited liability limited partnership.  
83 12 (2) At the time the third party enters into the  
83 13 transaction less than two years have passed since the person  
83 14 dissociated as a general partner and all of the following  
83 15 apply to the third party:  
83 16 (a) The third party does not have notice of the  
83 17 dissociation.  
83 18 (b) The third party does not have notice of the conversion  
83 19 or merger.  
83 20 (c) The third party reasonably believes that the converted  
83 21 or surviving organization is the converting or constituent  
83 22 limited partnership, the converting or constituent limited  
83 23 partnership is not a limited liability limited partnership,  
83 24 and the person is a general partner in the converting or  
83 25 constituent limited partnership.  
83 26 Sec. 100. NEW SECTION. 488.1112 POWER OF GENERAL  
83 27 PARTNERS AND PERSONS DISSOCIATED AS GENERAL PARTNERS TO BIND  
83 28 ORGANIZATION AFTER CONVERSION OR MERGER.  
83 29 1. An act of a person that immediately before a conversion  
83 30 or merger became effective was a general partner in a  
83 31 converting or constituent limited partnership binds the  
83 32 converted or surviving organization after the conversion or  
83 33 merger becomes effective, if all of the following apply:  
83 34 a. Before the conversion or merger became effective, the  
83 35 act would have bound the converting or constituent limited  
84 1 partnership under section 488.402.  
84 2 b. At the time the third party enters into the  
84 3 transaction, all of the following apply to the third party:  
84 4 (1) The third party does not have notice of the conversion  
84 5 or merger.

84 6 (2) The third party reasonably believes that the converted  
84 7 or surviving business is the converting or constituent limited  
84 8 partnership and that the person is a general partner in the  
84 9 converting or constituent limited partnership.

84 10 2. An act of a person that before a conversion or merger  
84 11 became effective was dissociated as a general partner from a  
84 12 converting or constituent limited partnership binds the  
84 13 converted or surviving organization after the conversion or  
84 14 merger becomes effective, if all of the following apply:

84 15 a. Before the conversion or merger became effective, the  
84 16 act would have bound the converting or constituent limited  
84 17 partnership under section 488.402 if the person had been a  
84 18 general partner.

84 19 b. At the time the third party enters into the  
84 20 transaction, less than two years have passed since the person  
84 21 dissociated as a general partner and all of the following  
84 22 apply to the third party:

84 23 (1) The third party does not have notice of the  
84 24 dissociation.

84 25 (2) The third party does not have notice of the conversion  
84 26 or merger.

84 27 (3) The third party reasonably believes that the converted  
84 28 or surviving organization is the converting or constituent  
84 29 limited partnership and that the person is a general partner  
84 30 in the converting or constituent limited partnership.

84 31 3. If a person having knowledge of the conversion or  
84 32 merger causes a converted or surviving organization to incur  
84 33 an obligation under subsection 1 or 2, the person is liable to  
84 34 either or both of the following:

84 35 a. To the converted or surviving organization for any  
85 1 damage caused to the organization arising from the obligation.

85 2 b. If another person is liable for the obligation, to that  
85 3 other person for any damage caused to that other person  
85 4 arising from the liability.

85 5 Sec. 101. NEW SECTION. 488.1113 ARTICLE NOT EXCLUSIVE.  
85 6 This article does not preclude an entity from being  
85 7 converted or merged under other law.

85 8 ARTICLE XII  
85 9 MISCELLANEOUS PROVISIONS

85 10 Sec. 102. NEW SECTION. 488.1201 UNIFORMITY OF  
85 11 APPLICATION AND CONSTRUCTION.

85 12 In applying and construing this chapter, consideration must  
85 13 be given to the need to promote uniformity of the law with  
85 14 respect to its subject matter among states that enact it.

85 15 Sec. 103. NEW SECTION. 488.1202 SEVERABILITY.

85 16 If any provision of this chapter or its application to any  
85 17 person or circumstance is held invalid, the invalidity does  
85 18 not affect other provisions or applications of this chapter  
85 19 which can be given effect without the invalid provision or  
85 20 application, and to this end the provisions of this chapter  
85 21 are severable.

85 22 Sec. 104. NEW SECTION. 488.1203 RELATION TO ELECTRONIC  
85 23 SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.

85 24 This chapter modifies, limits, or supersedes the federal  
85 25 Electronic Signatures in Global and National Commerce Act, 15  
85 26 U.S.C. } 7001 et seq., but this chapter does not modify,  
85 27 limit, or supersede section 101(c) of that Act or authorize  
85 28 electronic delivery of any of the notices described in section  
85 29 103(b) of that Act.

85 30 Sec. 105. NEW SECTION. 488.1204 APPLICATION TO EXISTING  
85 31 RELATIONSHIPS.

85 32 1. Before January 1, 2006, this chapter governs only the  
85 33 following:

85 34 a. A limited partnership formed on or after January 1,  
85 35 2005.

86 1 b. Except as otherwise provided in subsections 3 and 4, a  
86 2 limited partnership formed before January 1, 2005, that  
86 3 elects, in the manner provided in its partnership agreement or  
86 4 by law for amending the partnership agreement, to be subject  
86 5 to this chapter.

86 6 2. Except as otherwise provided in subsection 3, on and  
86 7 after January 1, 2006, this chapter governs all limited  
86 8 partnerships.

86 9 3. With respect to a limited partnership formed before  
86 10 January 1, 2005, the following rules apply except as the  
86 11 partners otherwise elect in the manner provided in the  
86 12 partnership agreement or by law for amending the partnership  
86 13 agreement:

86 14 a. Section 488.104, subsection 3, does not apply and the  
86 15 limited partnership has whatever duration it had under the law  
86 16 applicable immediately before January 1, 2005.

b. The limited partnership is not required to amend its certificate of limited partnership to comply with section 488.201, subsection 1, paragraph "d".

c. Sections 488.505, 488.601, and 488.602 do not apply, and a limited partner has the same right and power to dissociate from the limited partnership, with the same consequences, as existed immediately before January 1, 2005.

d. Section 488.603, subsection 4, does not apply.

e. Section 488.603, subsection 5, does not apply, and a court has the same power to expel a general partner as the court had immediately before January 1, 2005.

f. Section 488.801, subsection 3, does not apply and the connection between a person's dissociation as a general partner and the dissolution of the limited partnership is the same as existed immediately before January 1, 2005.

g. If a limited partnership elected under prior law to become a limited liability limited partnership by filing a statement of qualification with the secretary of state, the statement of qualification is deemed to be an amendment to the certificate of limited partnership in compliance with section 488.201, subsection 1, paragraph "d", and the limited liability limited partnership automatically is a limited liability limited partnership under this chapter.

4. With respect to a limited partnership that elects pursuant to subsection 1, paragraph "b", to be subject to this chapter, after the election takes effect, the provisions of this chapter relating to the liability of the limited partnership's general partners to third parties apply according to the following:

a. Before January 1, 2006, to all of the following:

(1) A third party that had not done business with the limited partnership in the year before the election took effect.

(2) A third party that had done business with the limited partnership in the year before the election took effect only if the third party knows or has received a notification of the election.

b. On and after January 1, 2006, to all third parties, but those provisions remain inapplicable to any obligation incurred while those provisions were inapplicable under paragraph "a", subparagraph (2).

c. Notwithstanding the foregoing provisions of this subsection, if a preexisting limited liability limited partnership elects to be subject to this chapter prior to January 1, 2006, this chapter's provisions relating to the liability of general partners to third parties apply immediately to all third parties, regardless of whether a third party has previously done business with the limited liability limited partnership.

Sec. 106. NEW SECTION. 488.1205 SAVINGS CLAUSE.  
This chapter does not affect an action commenced, proceeding brought, or right accrued before this chapter takes effect.

Sec. 107. NEW SECTION. 488.1206 FEES.

1. The secretary of state shall collect the following fees when the documents described in this subsection are delivered to the secretary's office for filing:

a. Certificate of limited partnership ..... \$100

b. Application for registration of foreign limited partnership and for issuance of a certificate of registration to transact business in this state ..... \$100

c. Amendment to certificate of limited partnership ..... \$100

d. Amendment to application for registration of foreign limited partnership ..... \$100

e. Cancellation of certificate of limited partnership ..... \$ 20

f. Cancellation of registration of foreign limited partnership ..... \$ 20

g. A consent required to be filed under this chapter ..... \$ 20

h. Application to reserve a limited partnership name ..... \$ 10

i. A notice of transfer of reservation of name ..... \$ 10

j. Articles of correction ..... \$ 5

k. Application for certificate of existence or registration ..... \$ 5

l. A statement of dissociation ..... \$ 20

m. A statement of dissolution ..... \$ 20

n. A statement of termination ..... \$ 20

88 28 o. A statement of change ..... \$ 20  
 88 29 p. Any other document required or permitted  
 88 30 to be filed ..... \$ 5  
 88 31 2. The secretary of state shall collect a fee of five  
 88 32 dollars each time process is served on the secretary under  
 88 33 this chapter. The party to a proceeding causing service of  
 88 34 process is entitled to recover this fee as costs if the party  
 88 35 prevails in the proceeding.  
 89 1 3. The secretary of state shall collect the following fees  
 89 2 for copying and certifying the copy of any filed document  
 89 3 relating to a limited partnership or foreign limited  
 89 4 partnership:  
 89 5 a. One dollar per page for copying.  
 89 6 b. Five dollars for certification.  
 89 7 Sec. 108. NEW SECTION. 488.1207 EFFECTIVE DATE.  
 89 8 This chapter takes effect January 1, 2005, and applies as  
 89 9 provided in section 488.1204 and in other sections of this  
 89 10 chapter.  
 89 11 Sec. 109. Section 15E.149, Code 2003, is amended to read  
 89 12 as follows:  
 89 13 15E.149 MULTIPLE CORPORATIONS.  
 89 14 The public directors, by a majority vote, may create more  
 89 15 than one corporation. Each additional corporation shall be  
 89 16 governed by this division. An additional corporation may act  
 89 17 as a general partner in a limited partnership under chapter  
 89 18 487 or 488.  
 89 19 Sec. 110. Section 422.15, subsection 2, Code 2003, is  
 89 20 amended to read as follows:  
 89 21 2. Every partnership including limited partnerships  
 89 22 organized under chapter 487 or 488, having a place of business  
 89 23 in the state, shall make a return, stating specifically the  
 89 24 net income and capital gains (or losses) reported on the  
 89 25 federal partnership return, the names and addresses of the  
 89 26 partners, and their respective shares in said amounts.  
 89 27 Sec. 111. Section 486A.901, subsection 3, Code 2003, is  
 89 28 amended to read as follows:  
 89 29 3. "Limited partnership" means a limited partnership  
 89 30 created under chapter 487 or 488, predecessor law, or  
 89 31 comparable law of another jurisdiction.  
 89 32 Sec. 112. Section 486A.902, subsection 5, Code 2003, is  
 89 33 amended to read as follows:  
 89 34 5. A general partner who becomes a limited partner as a  
 89 35 result of the conversion remains liable as a general partner  
 90 1 for an obligation incurred by the partnership before the  
 90 2 conversion takes effect. If the other party to a transaction  
 90 3 with the limited partnership reasonably believes when entering  
 90 4 the transaction that the limited partner is a general partner,  
 90 5 the limited partner is liable for an obligation incurred by  
 90 6 the limited partnership within ninety days after the  
 90 7 conversion takes effect. The limited partner's liability for  
 90 8 all other obligations of the limited partnership incurred  
 90 9 after the conversion takes effect is that of a limited partner  
 90 10 as provided in chapter 487 or 488.  
 90 11 Sec. 113. Section 486A.906, subsection 4, Code 2003, is  
 90 12 amended to read as follows:  
 90 13 4. If the obligations incurred before the merger by a  
 90 14 party to the merger are not satisfied out of the property of  
 90 15 the surviving partnership or limited partnership, the general  
 90 16 partners of that party immediately before the effective date  
 90 17 of the merger shall contribute the amount necessary to satisfy  
 90 18 that party's obligations to the surviving entity, in the  
 90 19 manner provided in section 486A.807 or in chapter 487 or 488  
 90 20 or under the law of the jurisdiction in which the party was  
 90 21 formed, as the case may be, as if the merged party were  
 90 22 dissolved.  
 90 23 Sec. 114. NEW SECTION. 487.1401 REPEAL OF CHAPTER.  
 90 24 This chapter is repealed effective January 1, 2006.  
 90 25 Sec. 115. Section 490A.1203, subsection 1, paragraph c,  
 90 26 Code 2003, is amended to read as follows:  
 90 27 c. A limited partnership which is a party to a proposed  
 90 28 merger shall have the plan of merger authorized and approved  
 90 29 in the manner and by the vote required by its partnership  
 90 30 agreement and in accordance with chapter 487 or 488.  
 90 31 Sec. 116. Section 669.14, subsection 11, unnumbered  
 90 32 paragraph 1, Code Supplement 2003, is amended to read as  
 90 33 follows:  
 90 34 Any claim for financial loss based upon an act or omission  
 90 35 in financial regulation, including but not limited to  
 91 1 examinations, inspections, audits, or other financial  
 91 2 oversight responsibilities, pursuant to chapters 87, 203,  
 91 3 203C, 203D, 421B, 486, ~~487~~ or the figure "487", 488, and 490

91 4 through 553, excluding chapters 540A, 542, 542B, 543B, 543C,  
91 5 543D, 544A, and 544B.  
91 6 Sec. 117. Sections 15E.149, 422.15, 486A.901, 486A.902,  
91 7 486A.906, 490A.1203, and 669.14, Code 2003, as amended by this  
91 8 Act, are amended by striking from the sections the figure and  
91 9 word "487 or" or the figure "487,".  
91 10 Sec. 118. EFFECTIVE DATES. This Act takes effect January  
91 11 1, 2005, except that section 117 of this Act takes effect  
91 12 January 1, 2006.  
91 13 Sec. 119. CODE EDITOR DIRECTIVE. The Code editor shall  
91 14 correct, effective January 1, 2006, any outstanding references  
91 15 to chapter 487 in the Code or to be codified in the Code, when  
91 16 there appears to be no doubt as to the proper methods of  
91 17 making the correction.

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91 20  
91 21 \_\_\_\_\_  
91 22 CHRISTOPHER C. RANTS  
91 23 Speaker of the House  
91 24

91 25 \_\_\_\_\_  
91 26 JEFFREY M. LAMBERTI  
91 27 President of the Senate  
91 28

91 29 I hereby certify that this bill originated in the House and  
91 30 is known as House File 2347, Eightieth General Assembly.  
91 31

91 32  
91 33 \_\_\_\_\_  
91 34 MARGARET THOMSON  
91 35 Chief Clerk of the House

92 1 Approved \_\_\_\_\_, 2004

92 2  
92 3  
92 4 \_\_\_\_\_  
92 5 THOMAS J. VILSACK  
92 6 Governor